

LEALANS LIMITED

COMPANY NO 00585708

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001



LEALANS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2001

The Directors submit their report and financial statements for the year ended 31 March 2001.

RESULTS

The net loss for the year ended 31 March 2001 was £20,744.

The Directors do not recommend the payment of a dividend and the loss for the year has been transferred to retained profits. Retained profits of £497,205 are carried forward.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of holding properties as investments.

FIXED ASSETS

The movements in fixed assets are shown in Note 5 to the financial statements.

The company's investment properties were revalued on 31 March 2000. The valuation of £2,354,400, which is £1,297,068 higher than the cost, has been incorporated in these accounts.

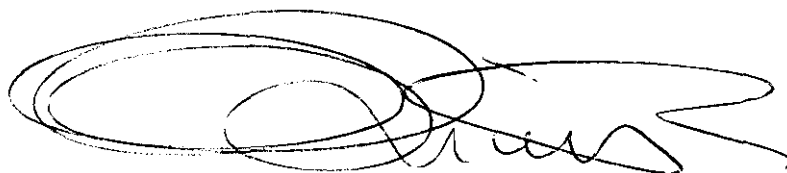
DIRECTORS

The Directors who served the Company throughout the year, together with their interests (including family interests) in the shares of the Company at the beginning and end of year, were as follows:-

	<u>Number of shares</u>	
	<u>As at 31 March 2001</u>	<u>As at 1 April 2000</u>
M E Ricketts	98	98
Mrs G V Ricketts	2	2

This Directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board



M E Ricketts
Secretary

Riverside House
1-5 High Street
LONDON COLNEY
Herts
AL2 1RE

Date 25 Jan 02

LEALANS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2001

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the Directors are required to -

- i) select suitable accounting policies and then apply them consistently;
- ii) make judgements and estimates that are reasonable and prudent;
- iii) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LEALANS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2001

	<u>2001</u>	<u>2000</u>
	£	£
RENTAL INCOME (Note 1)	164,371	177,607
ADMINISTRATION EXPENSES (Note 2)	(156,384)	(119,155)
Operating profit	<u>7,987</u>	<u>58,452</u>
INTEREST PAYABLE (Note 3)	(28,731)	(23,172)
Profit (loss) on ordinary activities before taxation	<u>(20,744)</u>	<u>35,280</u>
CORPORATION TAX (Note 4)	-	(18,173)
Profit (loss) for the financial year	<u>(20,744)</u>	<u>17,107</u>
RETAINED PROFITS brought forward	517,949	500,842
RETAINED PROFITS carried forward	<u>497,205</u>	<u>517,949</u>
	=====	=====

There are no gains and losses in the year other than the loss for the year.

There were no acquisitions or discontinuations of business sectors in the year. All amounts therefore refer to continuing operations.

The accompanying notes are an integral part of this Profit and Loss account.

LEALANS LIMITED

BALANCE SHEET AS AT 31 MARCH 2001

	<u>2001</u>	<u>2000</u>
	£	£
TANGIBLE FIXED ASSETS (Notes 1 & 5)	2,377,232	2,171,366
CURRENT ASSETS:		
Debtors (Note 6)	31,639	97,990
Cash	49	99
	31,688	98,089
CREDITORS FALLING DUE WITHIN ONE YEAR (Note 7)	(392,053)	(369,830)
Net current liabilities	(360,365)	(271,741)
TOTAL ASSETS LESS CURRENT LIABILITIES	2,016,867	1,899,625
CREDITORS FALLING DUE AFTER ONE YEAR (Note 8)	(222,494)	(233,895)
DEFERRED TAXATION (Note 9)	(175,000)	(148,000)
	1,619,373	1,517,730
	=====	=====
 SHARE CAPITAL (Note 10)	 100	 100
 INVESTMENT REVALUATION RESERVE (Note 11)	 1,122,068	 999,681
 RETAINED PROFITS	 497,205	 517,949
	1,619,373	1,517,730
	=====	=====

The Directors have taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(1). No notice has been deposited under S249B(2) of the Companies Act 1985.

The Directors have:

- i) acknowledged their responsibility for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985; and
- ii) acknowledged their responsibility for preparing accounts which give a true and fair view of the company and of its loss for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company.

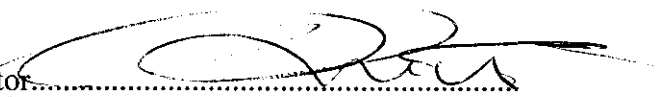
LEALANS LIMITED

BALANCE SHEET (continued) AS AT 31 MARCH 2001

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

The accompanying notes are an integral part of this Balance Sheet.

Approved by the board and signed on their behalf on.....25 Jan'02

Director.....

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NOTES TO THE ACCOUNTS : 31 MARCH 2001

1 ACCOUNTING POLICIES:

- a) These accounts have been prepared under the historic cost convention.
- b) Properties held as investment are stated at open market value and are not depreciated in accordance with SSAP 19.
- c) Rental income represents the gross value of rents falling due during the year.
- d) Depreciation is charged over the estimated useful life of fixtures and fittings at 15% to 25% on a straight line basis.
- e) Deferred taxation is provided on the liability method on all timing differences to the extent that they are expected to reserve in the future, calculated at the rate at which it is estimated that tax will be payable.
- f) The Company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

2 OPERATING PROFIT:

The operating profit is stated after charging:-

	<u>2001</u>	<u>2000</u>
	£	£
Depreciation	11,318	5,470
Directors' remuneration	6,500	6,500
Auditors' remuneration	-	-
	=====	=====

3 INTEREST PAYABLE:

This is as follows:-

	<u>2001</u>	<u>2000</u>
	£	£
Bank loans and overdraft	9,471	5,390
Mortgage	18,548	15,685
Other	712	2,097
	<u>28,731</u>	<u>23,172</u>
	=====	=====

4 CORPORATION TAX:

The charge to Corporation tax arises as follows:-

	<u>2001</u>	<u>2000</u>
	£	£
Corporation tax at 20% (2000 - 20%)	-	7,310
Adjustment to prior year taxation	-	10,863
	<u>-</u>	<u>18,173</u>
	=====	=====

5 TANGIBLE FIXED ASSETS:

The movement on these accounts was as follows:-

	<u>Properties</u>	<u>Fixtures & Fittings</u>	<u>Motor Vehicles</u>	<u>TOTAL</u>
	£	£	£	£
Cost -				
Brought forward	2,156,600	21,204	17,272	2,195,076
Additions	48,413	6,634	12,750	67,797
Surplus on revaluation	149,387	-	-	149,387
	<u>2,354,400</u>	<u>27,838</u>	<u>30,022</u>	<u>2,412,260</u>
	-----	-----	-----	-----
Depreciation -				
Brought forward	-	20,394	3,316	23,710
Charge for the year	-	3,813	7,505	11,318
	<u>-</u>	<u>24,207</u>	<u>10,821</u>	<u>35,028</u>
	-----	-----	-----	-----
Net Book Value at 31.3.00	<u>2,354,400</u>	<u>3,631</u>	<u>19,201</u>	<u>2,377,232</u>
	=====	=====	=====	=====
Net Book Value at 31.3.99	<u>2,156,600</u>	<u>810</u>	<u>13,956</u>	<u>2,171,366</u>
	=====	=====	=====	=====

Mr M E Ricketts, a Chartered Surveyor and a Director of the company, valued the investment properties at open market value using an existing use basis as at 31 March 2001.

6 DEBTORS:

These are as follows:-

	<u>2001</u>	<u>2000</u>
	£	£
Trade debtors	28,150	31,166
Other debtors	23	63,380
Prepayments	3,466	3,444
	<u>31,639</u>	<u>97,990</u>
	=====	=====

7 CREDITORS:

Falling due within one year:-

	<u>2001</u>	<u>2000</u>
	£	£
Bank overdraft	106,025	18,454
Bank loan	10,000	10,000
Trade creditors	529	-
Corporation Tax	-	7,310
Social Security and other taxes	1,961	1,861
Accruals	3,250	2,900
Other creditors	267,488	326,505
Hire purchase liability	2,800	2,800
	<u>392,053</u>	<u>369,830</u>
	=====	=====

The bank overdraft and loan is secured by a fixed charge over certain specific properties held as investment.

CREDITORS:

Falling due after one year:-

	<u>2001</u>	<u>2000</u>
	£	£
Bank loan	42,500	52,500
Mortgage liability	176,494	175,095
Hire purchase liability	3,500	6,300
	<u>222,494</u>	<u>233,895</u>
	=====	=====

The bank loan is repayable by instalments as follows:-

Within five years	50,000	50,000
After five years	2,500	12,500
	<u>52,500</u>	<u>62,500</u>
	=====	=====
Included in current liabilities	(10,000)	(10,000)
	<u>42,500</u>	<u>52,500</u>
	=====	=====

The bank loan and the mortgage liability are secured by a fixed charge over certain specific properties held as investment and by guarantees given by the Directors. The mortgage is repayable after five years, not by instalments.

9

DEFERRED TAX:

Deferred taxation provided in the financial statements is as follows:-

	<u>2001</u>	<u>2000</u>
	£	£
Taxation on investment property revaluation surplus -		
Balance brought forward	148,000	125,000
Transfer from investment property revaluation account	27,000	23,000
	<u>175,000</u>	<u>148,000</u>
	=====	=====

10 SHARE CAPITAL:

The share capital of the company comprises 100 Ordinary Shares of £1 each, all of which are issued and fully paid.

11 MOVEMENT IN SHAREHOLDER FUNDS:

This is as follows:-

	<u>Share Capital</u>	<u>Investment Revaluation Reserve</u>	<u>Retained Profits</u>	<u>TOTAL</u>
	£	£	£	£
Balance brought forward	100	999,681	517,949	1,517,730
Surplus on revaluation of investment properties		149,387		149,387
Adjustment to deferred taxation arising from revaluation surplus		(27,000)		(27,000)
Net loss for the year			(20,744)	(20,744)
Balance carried forward	<u>100</u> =====	<u>1,122,068</u> =====	<u>497,205</u> =====	<u>1,619,373</u> =====