

LEALANS LIMITED

COMPANY NO 00585708

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002



LEALANS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2002

The Directors submit their report and financial statements for the year ended 31 March 2002.

RESULTS

The net loss for the year ended 31 March 2002 was £1,038.

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 £496,167 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 2001. The valuation of £3,563,500, which is £2,457,856 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 2002</u>	<u>As at 1 April 2001</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

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


M E Ricketts
Secretary

Date.....15/1/03.....

LEALANS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2002

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 2002

	<u>2002</u>	<u>2001</u>
	£	£
RENTAL INCOME (Note 1)	202,437	164,371
ADMINISTRATION EXPENSES (Note 2)	(167,168)	(156,384)
Operating profit	<u>35,269</u>	<u>7,987</u>
INTEREST PAYABLE (Note 3)	(36,307)	(28,731)
Profit (loss) on ordinary activities before taxation	<u>(1,038)</u>	<u>(20,744)</u>
CORPORATION TAX (Note 4)	-	-
Profit (loss) for the financial year	<u>(1,038)</u>	<u>(20,744)</u>
RETAINED PROFITS brought forward	497,205	517,949
RETAINED PROFITS carried forward	<u>496,167</u> =====	<u>497,205</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 2002**

	<u>2002</u>	<u>2001</u>
	£	£
TANGIBLE FIXED ASSETS (Notes 1 & 5)	3,689,159	2,377,232
CURRENT ASSETS:		
Debtors (Note 6)	36,077	31,639
Cash	9	49
	36,086	31,688
CREDITORS FALLING DUE WITHIN ONE YEAR (Note 7)	(562,128)	(392,053)
Net current liabilities	(526,042)	(360,365)
TOTAL ASSETS LESS CURRENT LIABILITIES	3,163,117	2,016,867
CREDITORS FALLING DUE AFTER ONE YEAR (Note 8)	(208,994)	(222,494)
DEFERRED TAXATION (Note 9)	(525,000)	(175,000)
	2,429,123	1,619,373
SHARE CAPITAL (Note 10)	100	100
INVESTMENT REVALUATION RESERVE (Note 11)	1,932,856	1,122,068
RETAINED PROFITS	496,167	497,205
	2,429,123	1,619,373

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.

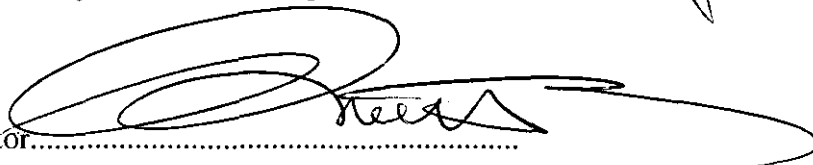
LEALANS LIMITED

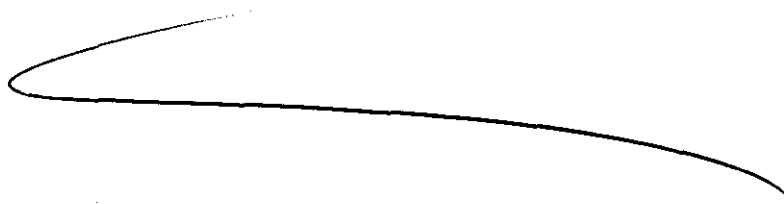
BALANCE SHEET (continued) AS AT 31 MARCH 2002

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.....15 Jan 2003.....

Director.....



LEALANS LIMITED

NOTES TO THE ACCOUNTS : 31 MARCH 2002

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) other tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on a straight line basis, over the estimated useful lives of the assets, at the following annual rates:

Motor vehicles	25%
Office equipment	15% - 25%

- 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>2002</u>	<u>2001</u>
	£	£
Depreciation	10,608	11,318
Directors' remuneration	6,500	6,500
Auditors' remuneration	-	-
	=====	=====

3 INTEREST PAYABLE:

This is as follows:-

	<u>2002</u>	<u>2001</u>
	£	£
Bank loans and overdraft	19,365	9,471
Mortgage	15,588	18,548
Hire purchase	1,354	695
Other	-	17
	<u>36,307</u>	<u>28,731</u>
	=====	=====

4. CORPORATION TAX:

The charge to Corporation tax arises as follows:-

	<u>2002</u>	<u>2001</u>
	£	£
Corporation tax at 20% (2001 - 20%)	-	-
Adjustment to prior year taxation	-	-
	<u>-</u>	<u>-</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	2,354,400	27,838	30,022	2,412,260
Additions	138,312	448	29,987	168,747
Surplus on revaluation	1,160,788			1,160,788
Disposals			(17,272)	(17,272)
	<u>3,653,500</u>	<u>28,286</u>	<u>42,737</u>	<u>3,724,523</u>
Depreciation -				
Brought forward	-	24,207	10,821	35,028
Charge for the year		217	10,391	10,608
Disposals			(10,272)	(10,272)
	<u>-</u>	<u>24,424</u>	<u>10,940</u>	<u>35,364</u>
Net Book Value at 31.3.02	<u>3,653,500</u>	<u>3,862</u>	<u>31,797</u>	<u>3,689,159</u>
	=====	=====	=====	=====
Net Book Value at 31.3.01	<u>2,354,400</u>	<u>3,631</u>	<u>19,201</u>	<u>2,377,232</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 2002.

6 • DEBTORS:

These are as follows:-

	<u>2002</u>	<u>2001</u>
	£	£
Trade debtors	29,971	28,150
Other debtors	1,673	23
Prepayments	4,433	3,466
	<u>36,077</u>	<u>31,639</u>
	=====	=====

7 CREDITORS:

Falling due within one year:-

	<u>2002</u>	<u>2001</u>
	£	£
Bank overdraft	332,822	106,025
Bank loan	10,000	10,000
Trade creditors	-	529
Corporation Tax	-	-
Social Security and other taxes	2,223	1,961
Accruals	5,720	3,250
Other creditors	211,363	267,488
Hire purchase liability	-	2,800
	<u>562,128</u>	<u>392,053</u>
	=====	=====

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

8• CREDITORS:

- Falling due after one year:-

	<u>2002</u>	<u>2001</u>
	£	£
Bank loan	32,500	42,500
Mortgage liability	176,494	176,494
Hire purchase liability	-	3,500
	<u>208,994</u>	<u>222,494</u>
	=====	=====

The bank loan is repayable by instalments as follows:-

Within five years	40,000	50,000
After five years	2,500	2,500
	<u>42,500</u>	<u>52,500</u>
	=====	=====
Included in current liabilities	(10,000)	(10,000)
	<u>32,500</u>	<u>42,500</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>2002</u>	<u>2001</u>
	£	£
Taxation on investment property revaluation surplus -		
Balance brought forward	175,000	148,000
Transfer from investment property revaluation account	350,000	27,000
	<u>525,000</u>	<u>175,000</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	1,122,068	497,205	1,619,373
Surplus on revaluation of investment properties		1,160,788		1,160,788
Adjustment to deferred taxation arising from revaluation surplus		(350,000)		(350,000)
Net loss for the year			(1,038)	(1,038)
Balance carried forward	<u>100</u> =====	<u>1,932,856</u> =====	<u>496,167</u> =====	<u>2,429,123</u> =====