

LEALANS LIMITED

COMPANY NO 00585708

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003



LEALANS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2003

The Directors submit their report and financial statements for the year ended 31 March 2003.

RESULTS

The net profit for the year ended 31 March 2003 was £50,425.

The Directors do not recommend the payment of a dividend and the profit for the year has been transferred to retained profits. Retained profits of £546,592 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 2002. The valuation of £3,675,500, which is £2,606,261 higher than the cost, has been incorporated in these accounts.

DIRECTORS

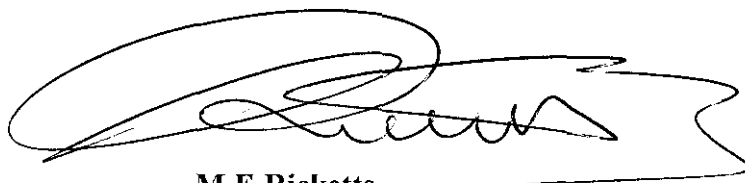
The Directors who served the Company throughout the year, together with their interests (including family interests) in the shares of the Company at the beginning and end of year, were as follows:-

	<u>Number of shares</u>	
	<u>As at 31 March 2003</u>	<u>As at 1 April 2002</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... 19 Feb 2004

LEALANS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2003

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 2003

	<u>2003</u>	<u>2002</u>
	£	£
RENTAL INCOME (Note 1)	192,542	202,437
ADMINISTRATION EXPENSES (Note 2)	(142,192)	(167,168)
Operating profit	<u>50,350</u>	<u>35,269</u>
GAIN ON SALE OF INVESTMENT PROPERTIES	41,214	-
INTEREST PAYABLE (Note 3)	(33,308)	(36,307)
Profit (loss) on ordinary activities before taxation	<u>58,256</u>	<u>(1,038)</u>
CORPORATION TAX (Note 4)	(7,831)	-
Profit (loss) for the financial year	<u>50,425</u>	<u>(1,038)</u>
RETAINED PROFITS brought forward	496,167	497,205
RETAINED PROFITS carried forward	<u><u>546,592</u></u>	<u><u>496,167</u></u>

There are no gains and losses in the year other than the profit 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 2003**

	<u>2003</u>	<u>2002</u>
	£	£
TANGIBLE FIXED ASSETS (Notes 1 & 5)	3,704,633	3,689,159
CURRENT ASSETS:		
Debtors (Note 6)	34,935	36,077
Cash	39	9
	34,974	36,086
CREDITORS FALLING DUE WITHIN ONE YEAR (Note 7)	(387,660)	(562,128)
Net current liabilities	(352,686)	(526,042)
TOTAL ASSETS LESS CURRENT LIABILITIES	3,351,947	3,163,117
CREDITORS FALLING DUE AFTER ONE YEAR (Note 8)	(198,994)	(208,994)
DEFERRED TAXATION (Note 9)	(560,000)	(525,000)
	2,592,953	2,429,123
SHARE CAPITAL (Note 10)	100	100
INVESTMENT REVALUATION RESERVE (Note 11)	2,046,261	1,932,856
RETAINED PROFITS	546,592	496,167
	2,592,953	2,429,123

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 profit 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 2003

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..... 19 Jan 2004

Director.....

LEALANS LIMITED

NOTES TO THE ACCOUNTS : 31 MARCH 2003

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>2003</u>	<u>2002</u>
	£	£
Depreciation	11,288	10,608
Directors' remuneration	6,500	6,500
Auditors' remuneration	-	-
	=====	=====

3 INTEREST PAYABLE:

This is as follows:-

	<u>2003</u>	<u>2002</u>
	£	£
Bank loans and overdraft	18,218	19,365
Mortgage	15,090	15,588
Hire purchase	-	1,354
	=====	=====
	33,308	36,307

4 CORPORATION TAX:

The charge to Corporation tax arises as follows:-

	<u>2003</u>	<u>2002</u>
	£	£
Corporation tax at 19% (2002 - 20%)	<u>7,831</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	3,653,500	28,286	42,737	3,724,523
Additions		862	3,900	4,762
Surplus on revaluation	148,405			148,405
Disposals	(126,405)			(126,405)
	<u>3,675,500</u>	<u>29,148</u>	<u>46,637</u>	<u>3,751,285</u>
Depreciation -				
Brought forward	-	24,424	10,940	35,364
Charge for the year		1,935	9,353	11,288
Disposals				
	<u>-</u>	<u>26,359</u>	<u>20,293</u>	<u>46,652</u>
Net Book Value at 31.3.02	<u>3,675,500</u>	<u>2,789</u>	<u>26,344</u>	<u>3,704,633</u>
Net Book Value at 31.3.01	<u>3,653,500</u>	<u>3,862</u>	<u>31,797</u>	<u>3,689,159</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 2003.

6 **DEBTORS:**

These are as follows:-

	<u>2003</u>	<u>2002</u>
	£	£
Trade debtors	31,087	29,971
Other debtors	-	1,673
Prepayments	3,848	4,433
	<u>34,935</u>	<u>36,077</u>
	=====	=====

7 **CREDITORS:**

Falling due within one year:-

	<u>2003</u>	<u>2002</u>
	£	£
Bank overdraft	229,811	332,822
Bank loan	10,000	10,000
Corporation Tax	7,831	-
Social Security and other taxes	2,160	2,223
Accruals	4,637	5,720
Other creditors	133,221	211,363
	<u>387,660</u>	<u>562,128</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>2003</u>	<u>2002</u>
	£	£
Bank loan	22,500	32,500
Mortgage liability	176,494	176,494
	<u>198,994</u>	<u>208,994</u>
	=====	=====

The bank loan is repayable by instalments as follows:-

Within five years	32,500	40,000
After five years	-	2,500
	<u>32,500</u>	<u>42,500</u>
	=====	=====
Included in current liabilities	(10,000)	(10,000)
	<u>22,500</u>	<u>32,500</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>2003</u>	<u>2002</u>
	£	£
Taxation on investment property revaluation surplus -		
Balance brought forward	525,000	175,000
Transfer from investment property revaluation account	35,000	350,000
Balance carried forward	<u>560,000</u>	<u>525,000</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	1,932,856	496,167	2,429,123
Surplus on revaluation of investment properties		148,405		148,405
Adjustment to deferred taxation arising from revaluation surplus		(35,000)		(35,000)
Net profit for the year			50,425	50,425
Balance carried forward	<u>100</u>	<u>2,046,261</u>	<u>546,592</u>	<u>2,592,953</u>