

LEALANS LIMITED

COMPANY NO 00585708

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004



LEALANS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2004

The Directors submit their report and financial statements for the year ended 31 March 2004.

RESULTS

The net profit for the year ended 31 March 2004 was £138,891.

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 £685,483 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 2004. The valuation of £3,563,500, which is £2,514,841 higher than the cost, has been incorporated in these accounts.

DIRECTORS

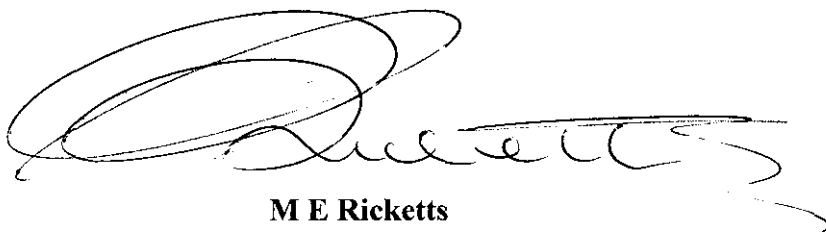
The Directors who served the Company throughout the year, together with their interests (including family interests) in the shares of the Company at the beginning and end of year, were as follows:-

	<u>Number of shares</u>	
	<u>As at 31 March 2004</u>	<u>As at 1 April 2003</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.....16.12.04.....

LEALANS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2004

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 2004

	<u>2004</u>	<u>2003</u>
	£	£
RENTAL INCOME (Note 1)	203,191	192,542
ADMINISTRATION EXPENSES (Note 2)	(228,431)	(142,192)
Operating profit (loss)	<u>(25,240)</u>	<u>50,350</u>
GAIN ON SALE OF INVESTMENT PROPERTIES	190,394	41,214
INTEREST INCOME	61	-
INTEREST PAYABLE (Note 3)	(16,565)	(33,308)
Profit (loss) on ordinary activities before taxation	<u>148,650</u>	<u>58,256</u>
CORPORATION TAX (Note 4)	(9,759)	(7,831)
Profit (loss) for the financial year	<u>138,891</u>	<u>50,425</u>
RETAINED PROFITS brought forward	546,592	496,167
RETAINED PROFITS carried forward	<u><u>685,483</u></u>	<u><u>546,592</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 2004

	<u>2004</u>	<u>2003</u>
	£	£
TANGIBLE FIXED ASSETS (Notes 1 & 5)	3,599,021	3,704,633
CURRENT ASSETS:		
Debtors (Note 6)	38,294	34,935
Cash	29	39
	38,323	34,974
CREDITORS FALLING DUE WITHIN ONE YEAR (Note 7)	(436,920)	(387,660)
Net current liabilities	(398,597)	(352,686)
TOTAL ASSETS LESS CURRENT LIABILITIES	3,200,424	3,351,947
CREDITORS FALLING DUE AFTER ONE YEAR (Note 8)	-	(198,994)
DEFERRED TAXATION (Note 9)	(554,000)	(560,000)
	2,646,424	2,592,953
SHARE CAPITAL (Note 10)	100	100
INVESTMENT REVALUATION RESERVE (Note 11)	1,960,841	2,046,261
RETAINED PROFITS	685,483	546,592
	2,646,424	2,592,953

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

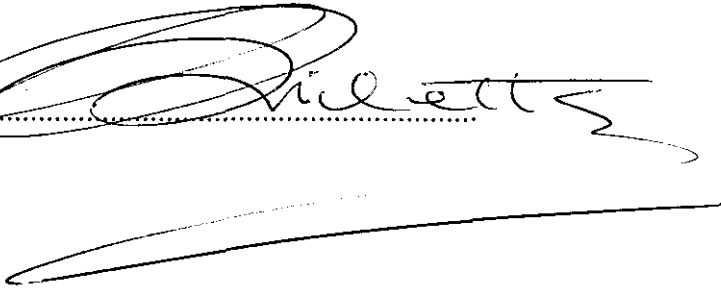
BALANCE SHEET (continued) AS AT 31 MARCH 2004

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.....16 Dec 2004.....

Director.....

A large, stylized handwritten signature in black ink, appearing to read 'D. J. L. L.', is written over the dotted line following the 'Director' label. Below the signature, there is a long, horizontal, slightly wavy line.

LEALANS LIMITED

NOTES TO THE ACCOUNTS : 31 MARCH 2004

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>2004</u>	<u>2003</u>
	£	£
Depreciation	15,182	11,288
Gain on sale of fixed assets	(2,198)	-
Directors' remuneration	8,000	6,500
Auditors' remuneration	-	-
	=====	=====

3 INTEREST PAYABLE:

This is as follows:-

	<u>2004</u>	<u>2003</u>
	£	£
Bank loans and overdraft	16,514	18,218
Mortgage	-	15,090
Other	51	-
	=====	=====
	16,565	33,308

4 CORPORATION TAX:

The charge to Corporation tax arises as follows:-

	<u>2004</u>	<u>2003</u>
	£	£
Corporation tax at 19% (2003 - 19%)	<u>9,759</u>	<u>7,831</u>

5 TANGIBLE FIXED ASSETS:

The movement on these accounts was as follows:-

	<u>Properties</u>	<u>Office Equipment</u>	<u>Motor Vehicles</u>	<u>TOTAL</u>
	£	£	£	£
Cost -				
Brought forward	3,675,500	29,148	46,637	3,751,285
Additions		11,752	13,000	24,752
Surplus on revaluation	(91,420)		-	(91,420)
Disposals	(20,580)		(5,875)	(26,455)
	<u>3,563,500</u>	<u>40,900</u>	<u>53,762</u>	<u>3,658,162</u>
Depreciation -				
Brought forward	-	26,359	20,293	46,652
Charge for the year		4,991	10,191	15,182
Disposals	-		(2,693)	(2,693)
	<u>-</u>	<u>31,350</u>	<u>27,791</u>	<u>59,141</u>
Net Book Value				
At 31 March 2004	<u>3,563,500</u>	<u>9,550</u>	<u>25,971</u>	<u>3,599,021</u>
Net Book Value At 31 March 2003	<u>3,675,500</u>	<u>2,789</u>	<u>26,344</u>	<u>3,704,633</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 2004.

DEBTORS:

These are as follows:-

	<u>2004</u>	<u>2003</u>
	£	£
Trade debtors	32,633	31,087
Prepayments	5,661	3,848
	<u>38,294</u>	<u>34,935</u>
	=====	=====

CREDITORS:

Falling due within one year:-

	<u>2004</u>	<u>2003</u>
	£	£
Bank overdraft	351,462	229,811
Bank loan	-	10,000
Deposits held	5,915	-
Corporation Tax	9,759	7,831
Social Security and other taxes	2,775	2,160
Accruals	6,305	4,637
Other creditors	60,704	133,221
	<u>436,920</u>	<u>387,660</u>
	=====	=====

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

CREDITORS:

Falling due after one year:-

	<u>2004</u>	<u>2003</u>
	£	£
Bank loan	-	22,500
Mortgage liability	-	176,494
	<u>-</u>	<u>198,994</u>
	=====	=====

The bank loan is repayable by instalments as follows:-

Within five years	-	32,500
After five years	-	-
	<u>-</u>	<u>32,500</u>
	=====	=====
Included in current liabilities	-	(10,000)
	<u>-</u>	<u>22,500</u>
	=====	=====

DEFERRED TAX:

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

	<u>2004</u>	<u>2003</u>
	£	£
Taxation on investment property revaluation surplus -		
Balance brought forward	560,000	525,000
Transfer from investment property revaluation account	(6,000)	35,000
Balance carried forward	<u>554,000</u>	<u>560,000</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	2,046,261	546,592	2,592,953
Surplus on revaluation of investment properties		(91,420)		(91,420)
Adjustment to deferred taxation arising from revaluation surplus		6,000		6,000
Net profit for the year			138,891	138,891
Balance carried forward	<u><u>100</u></u>	<u><u>1,960,841</u></u>	<u><u>685,483</u></u>	<u><u>2,646,424</u></u>