

LEALANS LIMITED

COMPANY NO 00585708

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006



LEALANS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2006

The Directors submit their report and financial statements for the year ended 31 March 2006.

RESULTS

The net profit for the year ended 31 March 2006 was £163,761.

A dividend of £49,500 has been paid and the retained profit for the year of £114,261 has been transferred to retained profits. Retained profits of £825,742 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.

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 2006</u>	<u>As at 1 April 2005</u>
M E Ricketts	98	98
Mrs G V Ricketts	2	2

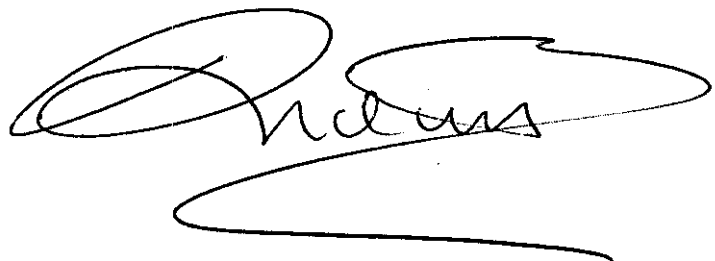
This Directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board

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

**M E Ricketts
Secretary**

Date... 23/01/07...



LEALANS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2006

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 2006

	<u>2006</u>	<u>2005</u>
	£	£
RENTAL INCOME (Note 1)	235,858	221,673
ADMINISTRATION EXPENSES (Note 2)	(172,904)	(162,921)
Operating profit (loss)	<u>62,954</u>	<u>58,752</u>
GAIN ON SALE OF INVESTMENT PROPERTIES	162,275	-
INTEREST INCOME	247	28
INTEREST PAYABLE (Note 3)	(42,920)	(32,782)
Profit on ordinary activities before taxation	<u>182,556</u>	<u>25,998</u>
CORPORATION TAX (Note 4)	(18,795)	-
Profit for the financial year	<u>163,761</u>	<u>25,998</u>
DIVIDEND PAID	(49,500)	-
RETAINED PROFITS brought forward	711,481	685,483
RETAINED PROFITS carried forward	<u><u>825,742</u></u>	<u><u>711,481</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 2006

	<u>2006</u>	<u>2005</u>
	£	£
TANGIBLE FIXED ASSETS (Notes 1 & 5)	4,648,259	3,996,174
CURRENT ASSETS:		
Debtors (Note 6)	194,004	169,599
Cash	28	28
	194,032	169,627
CREDITORS FALLING DUE WITHIN ONE YEAR (Note 7)	(158,926)	(170,378)
Net current assets (liabilities)	135,106	(751)
TOTAL ASSETS LESS CURRENT LIABILITIES	4,683,365	3,995,423
CREDITORS FALLING DUE AFTER ONE YEAR (Note 8)	(551,610)	(600,000)
DEFERRED TAXATION (Note 9)	(779,000)	(593,000)
	3,352,755	2,802,423
SHARE CAPITAL (Note 10)	100	100
INVESTMENT REVALUATION RESERVE (Note 11)	2,526,913	2,090,842
RETAINED PROFITS	825,742	711,481
	3,352,755	2,802,423

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.

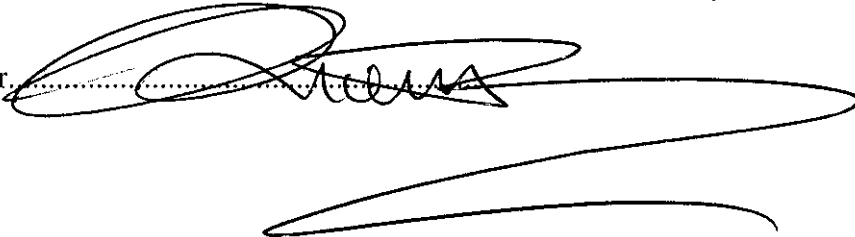
LEALANS LIMITED

BALANCE SHEET (continued) AS AT 31 MARCH 2006

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.....*23 Jan 2007*.....

Director.....

LEALANS LIMITED

NOTES TO THE ACCOUNTS : 31 MARCH 2006

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>2006</u>	<u>2005</u>
	£	£
Depreciation	10,981	12,579
Gain on sale of fixed assets	-	(1,344)
Directors' remuneration	9,000	9,000
Auditors' remuneration	-	-
	=====	=====

3 INTEREST PAYABLE:

This is as follows:-

	<u>2006</u>	<u>2005</u>
	£	£
Bank loans and overdraft	42,920	32,782
Other	-	-
	<u>42,920</u>	<u>32,782</u>
	=====	=====

4 CORPORATION TAX:

The charge to Corporation tax arises as follows:-

	<u>2006</u>	<u>2005</u>
	£	£
Corporation tax at 19% (2005 - 19%)	<u>18,795</u>	<u>-</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	3,975,000	43,788	32,762	4,051,550
Additions	40,540	3,066		43,606
Surplus on revaluation	622,071			622,071
Disposals	(2,611)			(2,611)
	<u>4,635,000</u>	<u>46,854</u>	<u>32,762</u>	<u>4,714,616</u>
Depreciation -				
Brought forward	-	35,097	20,279	55,376
Charge for the year	-	4,600	6,381	10,981
Disposals				
	<u>-</u>	<u>39,697</u>	<u>26,660</u>	<u>66,357</u>
Net Book Value				
At 31 March 2006	<u>4,635,000</u>	<u>7,157</u>	<u>6,102</u>	<u>4,648,259</u>
Net Book Value At 31 March 2005	<u>3,975,000</u>	<u>8,691</u>	<u>12,483</u>	<u>3,996,174</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 2006.

6 DEBTORS:

These are as follows:-

	<u>2006</u>	<u>2005</u>
	£	£
Trade debtors	47,652	35,103
Other debtors	137,703	129,375
Prepayments	8,649	5,121
	<u>194,004</u>	<u>169,599</u>
	=====	=====

7 CREDITORS:

Falling due within one year:-

	<u>2006</u>	<u>2005</u>
	£	£
Bank overdraft	50,396	89,020
Bank loan	24,528	-
Deposits held	5,740	5,915
Corporation Tax	18,795	-
Social Security and other taxes	1,257	3,044
Accruals	4,734	11,298
Other creditors	53,476	61,101
	<u>158,926</u>	<u>170,378</u>
	=====	=====

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

8 CREDITORS:

Falling due after one year:-

	<u>2006</u>	<u>2005</u>
	£	£
Bank loan	<u>551,610</u>	<u>600,000</u>
The bank loan is repayable by instalments as follows:-		
Within five years	196,224	600,000
After five years	379,914	-
	<u>576,138</u>	<u>600,000</u>
Included in current liabilities	24,528	-
	<u>551,610</u>	<u>600,000</u>

9 DEFERRED TAX:

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

	<u>2006</u>	<u>2005</u>
	£	£
Taxation on investment property revaluation surplus -		
Balance brought forward	593,000	554,000
Transfer from investment property revaluation account	186,000	39,000
Balance carried forward	<u>779,000</u>	<u>593,000</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	2,090,842	711,481	2,802,423
Surplus on revaluation of investment properties		622,071		622,071
Adjustment to deferred taxation arising from revaluation surplus		(186,000)		(186,000)
Net profit for the year			163,761	163,761
Dividend paid			(49,500)	(49,500)
Balance carried forward	<u>100</u>	<u>2,526,913</u>	<u>825,742</u>	<u>3,352,755</u>