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ROCK ESTATES (CORNWALL) LIMITED

REPORT

and

FINANCIAL STATEMENTS

2000

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COMPANIES HOUSE 30/10/01

ROCK ESTATES (CORNWALL) LIMITED

(Company Number 986821)

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ROCK ESTATES (CORNWALL) LIMITED

DIRECTORS AND ADVISERS

DIRECTORS

Richard John Varcoe (Chairman and Chief Executive)

Alexander Keith Roads ARICS (Exective)

John Stewart Bray (Non Executive)

SECRETARY

Richard John Varcoe

REGISTERED OFFICE

Pavilion Building
Rock
Wadebridge
Cornwall
PL27 6JS

SOLICITORS

G & I Chisholm
Bree Shute Court
Bodmin
Cornwall
PL31 2JE

PRINCIPAL BANKERS

Barclays Bank Plc.
28 Molesworth Street
Wadebridge
Cornwall

ROCK ESTATES (CORNWALL) LIMITED

DIRECTORS' REPORT

For the year ended 31st December 2000

The Directors present their annual report on the affairs of the company together with the accounts and auditors' report for the year ended 31st December 2000.

Principal activities

The principal activities of the company remain those of Estate Agents, Property Managing Agents, External Contractors and providers of sundry services connected with these activities.

Income from holiday lettings and house sales commission has increased further, with a sustained demand for "second homes" and rental property in the Rock, Daymer, Polzeath and Port Isaac areas.
Contract work is now restricted to maintenance of client property and grounds, together with professional services for architectural, planning and subsidiary services. Other income is derived form ancillary services and commissions provided in association with the core activities.
The company continues to be able to attract clients wishing to have let and managed properties in the geographical area of its activities and the directors consider that the company will be able to maintain its place in a competitive market for sales and letting agencies.

There has been a further increase in the pre tax profit and the directors are satisfied with the financial position of the Company and the prospects for 2001.

Results and dividends

The profit and loss account for the year is set out on page 5.
The directors made payment of a final dividend for the year ended 31st December 2000, on that date, at the rate of 31.59 pence per 1p share, totalling £200,000.

Directors and their interests

The directors who served during the year and their interest in the share capital of the company were as follows:

	2000	1999
John Stewart Bray	30155	30155
Richard John Varcoe	542700	542700
Alexander Keith Roads	60300	60300

No director had, during the year or at the end of the year, any material interest in any contract of any significance to the company's business save only that the company occupies premises owned by J.S.Bray and let to the company on a commercial lease at full rent.

ROCK ESTATES (CORNWALL) LIMITED

DIRECTORS' REPORT

Fixed assets

Changes in fixed assets are dealt with in note 7 to the accounts.

Tax Status

In the opinion of the directors the company is a close company within the meaning of Section 414 Income and Corporation Taxes Act 1988.

Auditors

Potter Baker have, in view of the exemption limits for audit requirement, not been re-appointed and the company has no appointed auditors.

The above 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

R J Varcoe
Secretary

19th October 2001

ROCK ESTATES (CORNWALL) LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED

31st DECEMBER 2000

	Notes	2000 £	2000 £	1999 £	1999 £
Turnover	1		758786		736273
Cost of sales			246100		232604
Gross profit			512686		503669
Administrative expenses			262866		271676
Operating profit	2		249820		231993
Interest receivable	4	44500		29150	
Interest payable	5	-		2	
			44500		29148
Profit on ordinary activities before taxation			294320		261141
Tax on profit on ordinary activities	6	57806		54117	
Dividend paid		200000		50000	
			257806		104117
Retained profit for the year			36514		157024

All operations of the company continued throughout the year and no operations were acquired or discontinued. There are no recognised gains or losses other than the profit for the year.

The notes on pages 7 to 10 form part of these Financial Statements

ROCK ESTATES (CORNWALL) LIMITED
BALANCE SHEET AS AT 31st DECEMBER 2000

	Notes	2000 £	2000 £	1999 £	1999 £
Fixed assets					
Tangible assets	7		116834		112639
Intangible assets	8		33076		30400
			149910		143039
Current assets					
Stocks	9	-		1750	
Debtors	10	71109		52291	
Cash at bank & in hand		494839		462226	
		565948		516267	
Creditors					
Amounts falling due within one year	11	229024		208986	
Net current assets			336924		307281
Total assets less current liabilities			486834		450320
Net assets			486834		450320
Capital and reserves					
Called up share capital	12		6332		6332
Profit & loss account	13		480502		443988
Shareholders' funds	14		486834		450320

For the year ended 31st December 2000 the company was entitled to exemption under section 249A(1) of the Companies Act 1985. Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

i) ensuring the company keeps accounting records which comply with section 221; and
ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the financial reporting standard for smaller entities.
The accounts on pages 5-10 were approved by the Board of Directors on 19th October 2001

R.J.Varcoe
Director

A.K.Roads
Director

The notes on pages 7 to 10 form part of these Financial Statements

ROCK ESTATES (CORNWALL) LIMITED

NOTES TO THE ACCOUNTS

Note

1 **Accounting policies**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts:

a) *Basis of accounting*
The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

b) *Tangible fixed assets*
Tangible fixed assets are stated at historical cost, net of depreciation. Depreciation is provided to write off the cost less estimated residual value of fixed assets over their expected useful lives to the business using the following annual rates and methods:

15% reducing balance on equipment
20% reducing balance on commercial vehicles and motor cars
10% straight line on goodwill

c *Intangible fixed assets*
Goodwill in respect of the business of "Penreal" is amortized on a straight line basis over a period of 10years in expectation of continued value being derived by the company from the acquisition thereof.

d) *Stocks*
Stocks are stated at the lower of cost or net realisable value.

e) *Turnover*
Turnover is the value, exclusive of Value Added Tax, of commissions earned and contract work completed. All the company's activities are carried on within the UK.

f) *Pension costs*
The company operates a defined contribution scheme for directors. The assets of this scheme are held separately from those of the company in independently administered funds.

g) *Taxation*
Corporation tax payable is provided on taxable profits at the current rate. Deferred taxation is not provided and the possible effect of timing differences is shown by way of note 6 to the accounts.

ROCK ESTATES (CORNWALL) LIMITED

NOTES TO THE ACCOUNTS

2 **Operating profit**

	2000	1999
	£	£
Operating profit is stated after charging		
Depreciation - owned assets	26162	22088
Auditors' Remuneration - audit services	250	1750
Directors' Remuneration	116373	109176
Loss on sale of fixed assets	-504	3543

3 **Staff costs**

	£	£
Employees costs during the year were:		
Wages and salaries	192838	170796
Social security costs	19160	17523
	211998	188319

The average monthly number of employees (excluding directors) during the year was:		
House sales and lettings	6	6
Contract work	6	6
Administration	3	3
	15	15

Directors' remuneration

	Salary	Pension Contribution	Total	1999
Executive directors	£	£	£	£
Mr. R.J.Varcoe	30030	50000	80030	73352
Mr. A.K.Roads	30843	-	30843	30824
Non Executive directors				
Mr. J.S.Bray	5500	-	5500	5000
	66373	50000	116373	109176

4 **Interest receivable**

	2000	1999
	£	£
Interest received on bank deposits	44500	29150

5 **Interest payable**

	2000	1999
	£	£
Interest payable on bank overdrafts	-	2

ROCK ESTATES (CORNWALL) LIMITED

NOTES TO THE ACCOUNTS

6 **Tax on profit on ordinary activities**

	2000	1999
UK Corporation tax at 20.00% on Profits	51001	47541
Repayment for years 1993, 1998 & 1999	-2095	-
UK Corporation tax on short term deposit and loan interest at 20.00%	8900	5903
	57806	53444

No provision is made for Deferred Taxation arising in respect of short term timing differences arising on accelerated Capital Allowance Claims. Such provision, if made, would amount to £3367 (1999 £2963)

7 **Tangible fixed assets**

	Freehold Land and Buildings	Leasehold Land and Buildings	Equipment Furniture & Fittings	Motor Vehicles	Total
	£	£	£	£	£
Cost					
1st January 2000	22071	7428	89508	85071	204078
Additions		718	5750	24809	31277
Disposals				-22873	-22873
31st December 2000	22071	8146	95258	87007	212482
Accumulated Depreciation					
1st January 2000	-	742	42960	47737	91439
Charge for year		814	7843	10929	19586
Disposals				-15377	-15377
31st December 2000	-	1556	50803	43289	95648
Net book value					
31st December 2000	**22071**	**6590**	**44455**	**43718**	**116834**
31st December 1999	22071	6686	46548	37334	112639

8 **Intangible fixed assets**

	Goodwill
Cost	
1st January 2000	38000
Additions	9252
31st December 2000	47252
Amortization	
1st January 2000	7600
Charge for year	6576
31st December 2000	14176
Net book value 31st December 2000	**33076**
31st December 1999	30400

ROCK ESTATES (CORNWALL) LIMITED

NOTES TO THE ACCOUNTS

		2000	1999
9	**Stocks**	£	£
	Stationery and consumables	-	1750
10	**Debtors**		
	Amounts falling due within one year	£	£
	Trade debtors	45452	26243
	Prepayments & accrued income	25086	26048
	Other debtors	571	-
		71109	52291
11	**Creditors**		
	Amounts falling due within one year	£	£
	Trade creditors	81408	62832
	Corporation tax	59901	53444
	Other tax & social security	76593	67544
	Accruals	6968	7512
	Directors' accounts	4154	4154
	Loan - K & B Wilmott	-	13500
		229024	208986
12	**Called up share capital**		
	Authorised:	Number	Number
	Ordinary shares of 1p each	1000000	1000000
	Allotted, called up and fully paid		
	Ordinary shares of 1p each	633155	633155

Richard John Varcoe has a controlling interest in the company.

13	**Reserves**		
	Profit & loss account	£	£
	As at 1st January 2000	443988	286964
	Retained profit for the year	36514	157024
	At 31st December 2000	480502	443988
14	**Reconciliation of movement in shareholders funds**	£	£
	Profit for the year	236514	207024
	Opening shareholders' funds	450320	293296
	Dividend to equity shareholders	-200000	-50000
	Closing shareholders' funds	486834	450320