ROC

986821

ROCK ESTATES (CORNWALL) LIMITED

REPORT

and

FINANCIAL STATEMENTS

2002



ROCK ESTATES (CORNWALL) LIMITED

(Company Number 986821)

CONTENTS

	Page
Directors and Advisers	2
Directors' Report	3-4
Financial Statements	5-6
Notes to the Accounts	7-10
Detailed Profit & Loss Account	11

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 2002

The Directors present their annual report on the affairs of the company together with the accounts for the year ended 31st December 2002.

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 commission has seen further growth, there being sustained demand for accomodation in North Cornwall, with an extending season.
Contract work continues to be that of 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 work to promote letting properties in the geographical area of Rock to Port Isaac and expects that the 2003 season will show further growth in lettings.
I.T. development is of significant importance to the company and the increased usage of the internet requires the continued development of customer service by facilitating brochure and availability details on-line. The directors anticipate significant expenditure during 2003 to facilitate this.

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 2002, on that date, at the rate of 47.38 pence per 1p share, totalling £300,000.

Directors and their interests

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

	2003	2002
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

In view of the exemption limits for audit requirement, 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

dated: 24th Sept 03

ROCK ESTATES (CORNWALL) LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED

31st DECEMBER 2002

	Notes	2002 £	2002 £	2001 £	2001 £
Turnover	1		874366		820142
Cost of sales			290460		259917
Gross profit			583906		560225
Administrative expenses			283001		276669
Operating profit	2		300905		283556
Interest receivable	4	30465		39817	
Interest payable	5	-		-	
			30465		39817
Profit on ordinary activities before taxation			331370		323373
Tax on profit on ordinary activities	6	67935		68574	
Dividend paid		300000		300000	
			367935		368574
Retained loss for the year			-36565		-45201

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 2002

	Notes	2002 £	2002 £	2001 £	2001 £
Fixed assets					
Tangible assets	7		101612		112273
Intangible assets	8		23626		28351
Current assets			125238		140624
Debtors	9	96664		88903	
Cash at bank & in hand		654334		570074	
		750998		658977	
Creditors					
Amounts falling due within one year	10	471168		357968	
Net current assets			279830		301009
Total assets less current liabilities			405068		441633
Net assets			405068		441633
Capital and reserves					
Called up share capital	11		6332		6332
Profit & loss account	12		398736		435301
Shareholders' funds	13		405068		441633

For the year ended 31st December 2002 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 24th September 2002

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.

NOTES TO THE ACCOUNTS

2 **Operating profit**

	2002	2001
	£	£
Operating profit is stated after charging		
Depreciation - owned assets	20884	23379
Directors' Remuneration	127624	120676
Loss on sale of fixed assets	4326	4399

3 **Staff costs**

	£	£
Employees costs during the year were:		
Wages and salaries	241488	215820
Social security costs	22829	20861
	264317	236681

The average monthly number of employees (excluding directors) during the year was:		
House sales and lettings	8	8
Contract work	5	5
Administration	3	3
	16	16

Directors' remuneration

	Salary	Pension Contribution	Total	2001
Executive directors	£	£	£	£
Mr. R.J.Varcoe	34131	50000	84131	81531
Mr. A.K.Roads	37493	-	37493	33645
Non Executive directors				
Mr. J.S.Bray	6000	-	6000	5500
	77624	50000	127624	120676

4 **Interest receivable**

	2002	2001
	£	£
Interest received on bank deposits	30465	39817

5 **Interest payable**

	2002	2001
	£	£
Interest payable on bank overdrafts	-	-

6 **Tax on profit on ordinary activities**

	2002	2001
UK Corporation tax at 20.5% (2001 21.00%) on Profits	61676	60224
Repayment for year 2001	-12	-16
UK Corporation tax on short term deposit interest at 20.5% (2001 21.00%)	6271	8366
	67935	68574

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 £5155 (2001 £3884)

7 **Tangible fixed assets**

	Freehold Land and Buildings	Leasehold Land and Buildings	Equipment Furniture & Fittings	Motor Vehicles	Total
	£	£	£	£	£
Cost					
1st January 2002	22071	8146	102955	89803	222975
Additions			13266	5941	19207
Disposals			-23044	-32465	-55509
31st December 2002	22071	8146	93177	63279	186673
Accumulated Depreciation					
1st January 2002	-	2370	58623	49709	110702
Charge for year		815	7918	7426	16159
Disposals			-18240	-23560	-41800
31st December 2002	-	3185	48301	33575	85061
Net book value					
31st December 2002	**22071**	**4961**	**44876**	**29704**	**101612**
31st December 2001	22071	5776	44332	40094	112273

8 **Intangible fixed assets**

	Goodwill
Cost	
1st January 2002	47252
31st December 2002	47252
Amortization	
1st January 2002	18901
Charge for year	4725
31st December 2002	23626
Net book value 31st December 2002	**23626**
31st December 2001	28351

NOTES TO THE ACCOUNTS

		2002	2001
9	**Debtors**		
	Amounts falling due within one year	£	£
	Trade debtors	55085	60423
	Prepayments & accrued income	41534	28450
	Other debtors	45	30
		96664	88903
10	**Creditors**		
	Amounts falling due within one year	£	£
	Trade creditors	294182	187254
	Corporation tax	67947	68590
	Other tax & social security	89439	81257
	Accruals	15446	16713
	Directors' accounts	4154	4154
		471168	357968
11	**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.

12	**Reserves**		
	Profit & loss account	£	£
	As at 1st January 2002	435301	480502
	Retained loss for the year	-36565	-45201
	At 31st December 2002	398736	435301
13	**Reconciliation of movement in shareholders funds**	£	£
	Profit for the year	263435	254799
	Opening shareholders' funds	441633	486834
	Dividend to equity shareholders	-300000	-300000
	Closing shareholders' funds	405068	441633