Meadowstag Properties Limited

FINANCIAL STATEMENTS

for the year ended

30 April 2002

REGISTRAR OF COMPANIES



Company Number 1185921

Meadowstag Properties Limited
DIRECTORS AND OFFICERS

DIRECTORS

MB Kenward
Mrs LJ Kenward

SECRETARY

Mrs LJ Kenward

COMPANY NUMBER

1185921 (England and Wales)

REGISTERED OFFICE

Winchester House
Winchester Close
Bromley
Kent BR2 0PX

Meadowstag Properties Limited
DIRECTORS' REPORT

The directors submit their report and the financial statements of Meadowstag Properties Limited for the year ended 30 April 2002.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was ownership and management of freehold properties.

REVIEW OF THE BUSINESS

Both turnover and costs have increased this year, but the directors are happy to report that profits before tax have been maintained. The directors anticipate being able to maintain this level of activity in the coming year.

DIVIDENDS

The directors do not recommend a dividend on the ordinary shares.

DIRECTORS

The following directors have held office since 1 May 2001:

MB Kenward
Mrs LJ Kenward

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

Directors' interests in the shares of the company, including family interests, were as follows:

	Ordinary shares of £ 1 each	
	2002	2001
MB Kenward	59	61
Mrs LJ Kenward	19	19

Additionally 9 shares are held in each of two discretionary trusts of which the directors are trustees.

By order of the board

Lesley Kenward
Secretary

4 October 2002

Meadowstag Properties Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and estimates that are reasonable and prudent;

c. 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 requirements of 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.

Meadowstag Properties Limited

PROFIT AND LOSS ACCOUNT
for the year ended 30 April 2002

	Notes	2002 £	2001 £
TURNOVER	1	281,641	244,527
Other operating expenses (net)	2	57,514	33,626
OPERATING PROFIT		224,127	210,901
Interest payable	3	76,491	63,452
Other interest receivable		(9)	(25)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	147,645	147,474
Taxation	6	22,208	37,836
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	14	£125,437	£109,638

The operating profit for the year arises from the company's continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2002 £	2001 £
Profit for the financial year	125,437	109,638
Unrealised surplus/(deficit) on revaluation of properties	35,000	(226,113)
Total recognised gains and losses relating to the year	£160,437	£116,475

Meadowstag Properties Limited

BALANCE SHEET

30 April 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible assets	7	2,876,099	2,595,601
CURRENT ASSETS			
Debtors	8	33,242	-
Cash at bank		-	165
		33,242	165
CREDITORS: Amounts falling due within one year	9	178,056	215,211
NET CURRENT LIABILITIES		(144,814)	(215,046)
TOTAL ASSETS LESS CURRENT LIABILITIES		2,731,285	2,380,555
CREDITORS: Amounts falling due after more than one year	10	1,018,950	828,657
		£1,712,335	£1,551,898
CAPITAL AND RESERVES			
Called up share capital	12	100	100
Investment revaluation reserve	13	658,227	623,227
Profit and loss account	14	1,054,008	928,571
EQUITY SHAREHOLDERS' FUNDS	15	£1,712,335	£1,551,898

For the year ended 30 April 2002 the company was entitled to the exemption from the requirement to have an audit under the provisions of S249A(1), Companies Act 1985. No notice has been deposited with the company under S249B(2) of that Act requiring an audit to be carried out. The directors acknowledge their responsibility for:

a ensuring the company keeps accounting records in accordance with S221, Companies Act 1985; and

b preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of its financial year in accordance with the requirements of the Act so far as they are applicable to the company.

Approved by the board on 4th October 2002

MB Kenward Director

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold investment properties.

TANGIBLE FIXED ASSETS

In accordance with Statement of Standard Accounting Practice 19 (SSAP 19) freehold investment properties are included in the balance sheet, at their open market value, and the resultant movement on revaluation is taken to the investment revaluation reserve. No depreciation is provided on investment properties. The directors consider that the accounting policy results in the financial statements giving a true and fair view.

All other fixed assets are stated at cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Computers	33% on cost
Fixtures, fittings and equipment	25% on cost

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of rental services provided to customers.

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit before taxation were all derived from its principal activity. Sales were all made in the United Kingdom.

2 OTHER OPERATING EXPENSES (NET)	2002 £	2001 £
Administration expenses	£57,514	£33,626

3 INTEREST PAYABLE	2002 £	2001 £
On bank loans, overdrafts and other loans	£76,491	£63,452

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2002 £	2001 £
Profit on ordinary activities before taxation is stated after charging:		
Depreciation and amounts written off tangible fixed assets:		
Charge for the year:		
owned assets	983	445

5 EMPLOYEES	2002 No.	2001 No.
The average weekly number of persons (including directors) employed by the company during the year was:	3	3

	£	£
Staff costs for the above persons:		
Wages and salaries	£11,601	£11,113

5	EMPLOYEES *(continued)*	2002 £	2001 £
	DIRECTORS' REMUNERATION		
	Fees	£9,049	£3,738

6	TAXATION	2002 £	2001 £
	Current taxation		
	Based on the profit for the year:		
	UK corporation tax	30,805	38,068
	Overprovided in previous years	(8,597)	(232)
		£22,208	£37,836
	Profit on ordinary activities before tax	147,645	147,474
	Tax on profit on ordinary activities at standard rate	29,408	29,495
	Factors affecting charge for the period:		
	Capital allowances for period in excess of depreciation	(314)	(115)
	Disallowable management expenses	1,651	89
	Non-deductible expenditure	10	-
	Adjustments trade	50	8,599
	Total actual amount of current tax	£30,805	£38,068

No provision has been made for deferred tax on revaluing property to its market value. The tax on the gains arising from the revaluation would only become payable if the property were sold without rollover relief being available. The tax which would be payable in such circumstances is estimated to be £39,834. These assets are expected to be used in the continuing operations of the business and, therefore, no tax is expected to be paid in the foreseeable future.

7 TANGIBLE FIXED ASSETS

	Freehold investment properties £	*Office equipment* £	*Total* £
Cost or valuation			
1 May 2001	2,595,000	2,100	2,597,100
Additions	244,322	2,159	246,481
Revaluation	35,000	-	35,000
30 April 2002	2,874,322	4,259	2,878,581
Depreciation			
1 May 2001	-	1,499	1,499
Charged in the year	-	983	983
30 April 2002	-	2,482	2,482
Net book value			
30 April 2002	2,874,322	1,777	£2,876,099
30 April 2001	2,595,000	601	£2,595,601

Investment properties were valued by the directors at their open market value on 30 April 2002. The original cost of the investment properties shown above was £2,216,095 (2001 £1,971,773).

8 DEBTORS

	2002 £	2001 £
Other debtors	£33,242	£ -

9 CREDITORS: Amounts falling due within one year

	2002 £	2001 £
Bank loans and overdraft (see Note 10)	87,445	128,438
Corporation tax	30,805	38,068
Accruals and deferred income	52,817	42,025
Other creditors	6,989	6,680
	£178,056	£215,211

10 CREDITORS: Amounts falling due in more than one year

	2002 £	2001 £
Bank loans (secured)	554,181	391,844
Other creditors - director's loan account	464,769	436,813
	£1,018,950	£828,657
Repayable by instalments:		
Bank loan		
in the second to fifth year	276,000	196,968
in more than five years	278,181	194,876

The bank loans and overdraft are secured on the company's freehold investment properties.

11 DEFERRED TAXATION

No provision for deferred tax has been made in the accounts as it is the directors' intention to hold all the investment properties for the foreseeable future. The unprovided liability at the balance sheet date is approximately £ Nil (2001 £ Nil).

12 SHARE CAPITAL	2002 £	2001 £
Authorised:		
100 ordinary shares of £ 1 each	£ 100	£ 100
Allotted, issued and fully paid:		
100 ordinary shares of £ 1 each	£ 100	£ 100

13 RESERVES		
INVESTMENT REVALUATION RESERVE		
1 May 2001	623,227	849,340
Increase/(decrease) in valuation	35,000	(226,113)
30 April 2002	£658,227	£623,227

14 PROFIT AND LOSS ACCOUNT	2002 £	2001 £
1 May 2001	928,571	818,933
Profit for the financial year	125,437	109,638
30 April 2002	£1,054,008	£928,571

15 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2002 £	2001 £
Profit after taxation	125,437	109,638
Other recognised gains and losses relating to the year	35,000	(226,113)
Opening shareholders' funds	1,551,898	1,668,373
Closing shareholders' funds	£1,712,335	£1,551,898