

Company Registration No. 1190813 (England and Wales)

**COPY FOR
REGISTRAR OF
COMPANIES**

**MARSHA INTERIORS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2000**

RICHARD ANTHONY & COMPANY
Chartered Accountants



MARSHA INTERIORS LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF MARSHA INTERIORS LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 July 2000, set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

Richard Anthony Co.

Richard Anthony & Company
Chartered Accountants
Registered Auditors
13 Station Road
Finchley
London
N3 2SB

4 March 2002

MARSHA INTERIORS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2000

	Notes	2000 £	1999 £
Distribution costs		(2,043)	(5,484)
Administrative expenses		(17,627)	(24,145)
Other operating income		87,399	74,480
Operating profit	2	67,729	44,851
Other interest receivable and similar income		586	762
Interest payable and similar charges		(7,462)	(6,539)
Profit on ordinary activities before taxation		60,853	39,074
Tax on profit on ordinary activities	3	(13,140)	(8,016)
Profit on ordinary activities after taxation	10	47,713	31,058

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

MARSHA INTERIORS LIMITED

BALANCE SHEET AS AT 31 JULY 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Tangible assets	4 and 5		420,827		421,614
Current assets					
Debtors	6	136,754		131,617	
Cash at bank and in hand		20,204		11,149	
		<u>156,958</u>		<u>142,766</u>	
Creditors: amounts falling due within one year	7	<u>(44,156)</u>		<u>(33,464)</u>	
Net current assets			112,802		109,302
Total assets less current liabilities			533,629		530,916
Creditors: amounts falling due after more than one year	8		-		(45,000)
			<u>533,629</u>		<u>485,916</u>
Capital and reserves					
Called up share capital	9		200		200
Revaluation reserve	10		359,123		359,123
Profit and loss account	10		174,306		126,593
Shareholders' funds - equity interests	11		<u>533,629</u>		<u>485,916</u>

MARSHA INTERIORS LIMITED

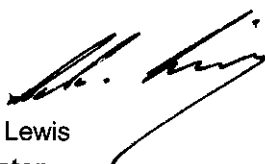
BALANCE SHEET AS AT 31 JULY 2000

In preparing these financial statements:

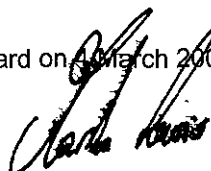
- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, 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 this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 4 March 2002



C W Lewis
Director



M K Lewis
Director

MARSHA INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Boat and trailer	25% on written down value
Fixtures, fittings & equipment	10% on written down value
Motor vehicles	25% on written down value

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.3 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Operating profit

	2000	1999
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	787	1,126
Directors' emoluments	3,300	3,300
	<u> </u>	<u> </u>

3 Taxation

	2000	1999
	£	£
Domestic current year taxation		
U.K. corporation tax	13,140	8,016
	<u> </u>	<u> </u>

MARSHA INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2000

4 Tangible fixed assets

	Plant and machinery etc £
Cost or valuation	
At 1 August 1999 & at 31 July 2000	104,829
Depreciation	
At 1 August 1999	100,389
Charge for the year	787
At 31 July 2000	101,176
Net book value	
At 31 July 2000	3,653
At 31 July 1999	4,440

5 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 August 1999 & at 31 July 2000	417,174

The valuations of investment properties were made in January 1996 by the director of the company, on an open market basis. No depreciation is provided in respect of these properties. The surplus on Revaluation was transferred to Revaluation Reserve.

On an historical cost basis these would have been included at an original cost of £58,051 (1999 - £58,051).

6 Debtors	2000 £	1999 £
Trade debtors	9,589	7,726
Other debtors	127,165	123,891
	136,754	131,617

MARSHA INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2000

7	Creditors: amounts falling due within one year	2000 £	1999 £
	Taxation and social security	16,156	19,864
	Other creditors	28,000	13,600
		<u>44,156</u>	<u>33,464</u>

8	Creditors: amounts falling due after more than one year	2000 £	1999 £
	Bank loans	-	45,000
		<u>-</u>	<u>45,000</u>
	Analysis of loans		
	Wholly repayable within five years	-	45,000
		<u>-</u>	<u>45,000</u>
	Loan maturity analysis		
	In more than two years but not more than five years	-	45,000
		<u>-</u>	<u>45,000</u>

The bank loan is repayable in full no later than 23 December 2003 and is secured by a first fixed legal charge on the freehold investment properties held by the company and other related companies under Common Control and by way of a personal guarantee from one of the directors of the company. The bank loan bears interest at London Interbank offered rates (LIBOR) plus 2.25% per annum.

9	Share capital	2000 £	1999 £
	Authorised		
	1,000 Ordinary shares of £ 1 each	<u>1,000</u>	<u>1,000</u>
	Allotted, called up and fully paid		
	200 Ordinary shares of £ 1 each	<u>200</u>	<u>200</u>

10	Statement of movements on reserves	Revaluation reserve £	Profit and loss account £
	Balance at 1 August 1999	359,123	126,593
	Retained profit for the year	-	47,713
		<u>359,123</u>	<u>174,306</u>
	Balance at 31 July 2000	<u>359,123</u>	<u>174,306</u>

MARSHA INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2000

11 Reconciliation of movements in shareholders' funds	2000 £	1999 £
Profit for the financial year	47,713	31,058
Opening shareholders' funds	485,916	454,858
	<u>533,629</u>	<u>485,916</u>
Closing shareholders' funds	<u>533,629</u>	<u>485,916</u>

12 Contingent liabilities

The company has together with two connected companies entered into a loan agreement, the details of which are given in Note 8. Each company is jointly and severally liable up to the total amount outstanding. At 31st July 2000, total loan outstanding amounted to £ 1,652,900.

13 Transactions with directors

The following director had an interest free loan during the year. The movement on this loan is as follows:

	Amount outstanding		Maximum
	2000	1999	in year
	£	£	£
Mr C W Lewis	59,328	28,553	59,328

The loan was advanced with no fixed date of repayment and is interest-free. The loan is in contravention of Section 330 Companies Act 1985.

14 Control

The ultimate controlling parties are Mr C W Lewis and Mrs M K Lewis.

15 Related party transactions

Mr C W Lewis and Mrs M K Lewis are both related parties as they are directors of the company. They were not interested during, or at the year end in any contract which was significant in relation to the company's business.

Mrs M K Lewis was owed £Nil by the company at the year end. During the course of the year Mr C W Lewis had an overdrawn loan account with the company totalling £59,328, as referred to in note 13.

16 Post balance sheet events

There are no significant post Balance Sheet events which materially affect the state of the company's affairs.