

**STARTMEAD LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2003**

**COMPANY REGISTRATION NUMBER 1514421**



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COMPANIES HOUSE

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10/12/03

# STARTMEAD LIMITED

## FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2003

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# STARTMEAD LIMITED

## OFFICERS AND PROFESSIONAL ADVISERS

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### THE BOARD OF DIRECTORS

V G C O'Donoghue  
M H O'Donoghue

### COMPANY SECRETARY

M H O'Donoghue

### REGISTERED OFFICE

Sandringham  
Guildford Road  
Woking  
Surrey  
GU22 7QL

### ACCOUNTANTS

Menzies  
Chartered Accountants  
Sandringham  
Guildford Road  
Woking  
Surrey  
GU22 7QL

# STARTMEAD LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2003

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The directors present their report and the unaudited financial statements of the company for the year ended 31 March 2003.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was providing residential accommodation.

### THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

|                  | Ordinary Shares of £1 each |                    |
|------------------|----------------------------|--------------------|
|                  | At<br>31 March 2003        | At<br>1 April 2002 |
| V G C O'Donoghue | 10                         | 10                 |
| M H O'Donoghue   | 10                         | 10                 |

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
Sandringham  
Guildford Road  
Woking  
Surrey  
GU22 7QL

Signed by order of the directors



M H O'Donoghue  
Company Secretary

Approved by the directors on 8/12/03

# STARTMEAD LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2003

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|                                                      | Note | 2003<br>£ | 2002<br>£ |
|------------------------------------------------------|------|-----------|-----------|
| <b>TURNOVER</b>                                      |      | 26,437    | 64,957    |
| Cost of sales                                        |      | 10,213    | 14,122    |
| <b>GROSS PROFIT</b>                                  |      | 16,224    | 50,835    |
| Administrative expenses                              |      | 7,577     | 10,425    |
| <b>OPERATING PROFIT</b>                              | 2    | 8,647     | 40,410    |
| Interest receivable                                  |      | 8,567     | –         |
| Interest payable and similar charges                 |      | (2,550)   | –         |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |      | 14,664    | 40,410    |
| Tax on profit on ordinary activities                 |      | (28,835)  | 6,552     |
| <b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>        |      | 43,499    | 33,858    |

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The notes on pages 6 to 8 form part of these financial statements.

# STARTMEAD LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

YEAR ENDED 31 MARCH 2003

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|                                                                | 2003          | 2002          |
|----------------------------------------------------------------|---------------|---------------|
|                                                                | £             | £             |
| Profit for the financial year attributable to the shareholders | 43,499        | 33,858        |
| Unrealised profit on revaluation of certain fixed assets       | -             | 60,000        |
| Less provision for deferred tax on revaluation                 | -             | (45,500)      |
| Total gains and losses recognised since the last annual report | <u>43,499</u> | <u>48,358</u> |

The notes on pages 6 to 8 form part of these financial statements.

# STARTMEAD LIMITED

## BALANCE SHEET

31 MARCH 2003

|                                                       | Note | 2003<br>£ | 2002<br>£ |
|-------------------------------------------------------|------|-----------|-----------|
| <b>FIXED ASSETS</b>                                   |      |           |           |
| Tangible assets                                       | 3    | 1,083,918 | 1,366,299 |
| <b>CURRENT ASSETS</b>                                 |      |           |           |
| Cash at bank                                          |      | 234,433   | —         |
| <b>CREDITORS: Amounts falling due within one year</b> | 4    | 683,682   | 729,629   |
| <b>NET CURRENT LIABILITIES</b>                        |      | (449,249) | (729,629) |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |      | 634,669   | 636,670   |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES</b>         |      |           |           |
| Deferred taxation                                     | 5    | —         | 45,500    |
|                                                       |      | 634,669   | 591,170   |
| <b>CAPITAL AND RESERVES</b>                           |      |           |           |
| Called-up equity share capital                        | 7    | 100       | 100       |
| Revaluation reserve                                   | 8    | 707,307   | 965,453   |
| Other reserves                                        |      | 83,743    | 83,743    |
| Profit and loss account                               | 9    | (156,481) | (458,126) |
| <b>SHAREHOLDERS' FUNDS</b>                            |      | 634,669   | 591,170   |

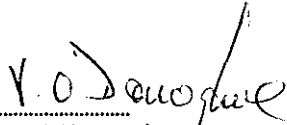
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

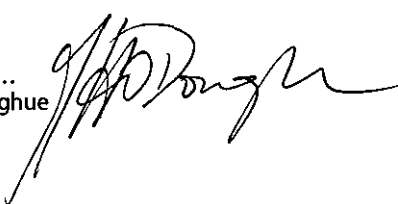
The directors acknowledge their responsibilities for:

- ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- preparing financial statements 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 Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 8/12/03 and are signed on their behalf by:

  
VGC O'Donoghue

  
M H O'Donoghue

The notes on pages 6 to 8 form part of these financial statements.

# STARTMEAD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2003

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### 1. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

#### Fixed assets

All fixed assets are initially recorded at cost.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

|                     |                        |
|---------------------|------------------------|
| Fixtures & Fittings | - 10% Reducing balance |
| Computer equipment  | - 25% Reducing balance |

Depreciation is not provided in respect of the freehold investment properties.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

#### 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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

|                                    | 2003<br>£ | 2002<br>£ |
|------------------------------------|-----------|-----------|
| Directors' emoluments              | -         | -         |
| Depreciation of owned fixed assets | 1,052     | 743       |
| Profit on disposal of fixed assets | (10,000)  | -         |

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# STARTMEAD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2003

### 3. TANGIBLE FIXED ASSETS

|                          | Land and<br>buildings<br>£ | Plant &<br>machinery etc.<br>£ | Total<br>£       |
|--------------------------|----------------------------|--------------------------------|------------------|
| <b>COST OR VALUATION</b> |                            |                                |                  |
| At 1 April 2002          | 1,360,000                  | 29,866                         | 1,389,866        |
| Additions                | 74,742                     | 3,929                          | 78,671           |
| Disposals                | (360,000)                  | -                              | (360,000)        |
| <b>At 31 March 2003</b>  | <b>1,074,742</b>           | <b>33,795</b>                  | <b>1,108,537</b> |
| <b>DEPRECIATION</b>      |                            |                                |                  |
| At 1 April 2002          | -                          | 23,567                         | 23,567           |
| Charge for the year      | -                          | 1,052                          | 1,052            |
| <b>At 31 March 2003</b>  | <b>-</b>                   | <b>24,619</b>                  | <b>24,619</b>    |
| <b>NET BOOK VALUE</b>    |                            |                                |                  |
| <b>At 31 March 2003</b>  | <b>1,074,742</b>           | <b>9,176</b>                   | <b>1,083,918</b> |
| At 31 March 2002         | 1,360,000                  | 6,299                          | 1,366,299        |

Included in land and buildings are freehold investment properties with an historical cost and net book value of £292,693.

The directors consider that the market value of the investment property is approximately £1,000,000. Should the property be sold at its estimated market value, a corporation tax liability of approximately £200,000 would crystallise. Provision has not been made for the estimated liability arising on the property as there is currently no intention of selling it.

### 4. CREDITORS: Amounts falling due within one year

|                           | 2003<br>£      | 2002<br>£      |
|---------------------------|----------------|----------------|
| Bank loans and overdrafts | -              | 8,374          |
| Corporation tax           | 19,215         | 6,552          |
| Other creditors           | 664,467        | 714,703        |
|                           | <b>683,682</b> | <b>729,629</b> |

### 5. DEFERRED TAXATION

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

|                                          | 2003<br>£ | 2002<br>£     |
|------------------------------------------|-----------|---------------|
| Deferred tax provided for on revaluation | -         | 45,500        |
|                                          | <b>-</b>  | <b>45,500</b> |

### 6. RELATED PARTY TRANSACTIONS

During the year the company incurred management fees in respect of one property, charged by Ms. E. O'Donoghue, a shareholder of the company and the daughter of the directors, for £5800 (2002 - £2,900).

Included in other creditors in note 4 is £618,968 (2002 - £705,884) due to Mr V. G. C. O'Donoghue, a director and shareholder of the company.

# STARTMEAD LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2003

### 7. SHARE CAPITAL

#### Authorised share capital:

|                                | 2003<br>£ | 2002<br>£ |
|--------------------------------|-----------|-----------|
| 100 Ordinary shares of £1 each | 100       | 100       |

#### Allotted, called up and fully paid:

|                            | 2003<br>No | £   | 2002<br>No | £   |
|----------------------------|------------|-----|------------|-----|
| Ordinary shares of £1 each | 100        | 100 | 100        | 100 |

### 8. REVALUATION RESERVE

|                                                        | 2003<br>£ | 2002<br>£ |
|--------------------------------------------------------|-----------|-----------|
| Balance brought forward                                | 965,453   | 950,953   |
| Revaluation of fixed assets                            | -         | 60,000    |
| Transfer to the Profit and Loss Account on realisation | (258,146) | -         |
| Deferred tax provided for on revaluation               | -         | (45,500)  |
| Balance carried forward                                | 707,307   | 965,453   |

### 9. PROFIT AND LOSS ACCOUNT

|                                        | 2003<br>£ | 2002<br>£ |
|----------------------------------------|-----------|-----------|
| Balance brought forward                | (458,126) | (491,984) |
| Retained profit for the financial year | 43,499    | 33,858    |
| Transfer from revaluation reserve      | 258,146   | -         |
| Balance carried forward                | (156,481) | (458,126) |