

The RHP

PARTNERSHIP

Bush Group Limited
Financial Statements
For the year ended
31 December 2002

Company Registration Number

1977430



Bush Group Limited

Financial Statements

Year ended 31 December 2002

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Bush Group Limited
Officers and Professional Advisers
Year ended 31 December 2002

The board of directors	DR Bush Mrs NE Bush Miss LM Bush DJ Bush
Company secretary	Mrs NE Bush
Registered office	Bridge House 1 Bridge Court Fishergate Norwich NR3 1UF
Accountants	The RHP Partnership 87 Yarmouth Road Norwich NR7 0HF
Bankers	HSBC Bank Plc 18 London Street Norwich NR2 1LG

Bush Group Limited

The Directors' Report

Year ended 31 December 2002

The directors present their report and financial statements of the company for the year ended 31 December 2002.

Principal Activities

The principal activities of the company during the year were those of the purchase, development, sale and letting of private residential and business property.

Results and Dividends

The profit and loss account is set out on page 4 and shows the profit for the year.

Directors

The directors of the company during the year and their interests in the ordinary share capital of the company were:

	Ordinary shares of £1 each	
	2002	2001
DR Bush	37,500	37,500
Mrs NE Bush	7,500	7,500
Miss LM Bush	2,500	2,500
DJ Bush	2,500	2,500

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

Signed on behalf of the directors



DR Bush
Director

Approved by the directors on 9 September 2003.

Bush Group Limited
The Accountants' Report
Year ended 31 December 2002

Accountants' report on the unaudited accounts to the directors of Bush Group Limited

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2002, set out on pages 4 to 17, and you consider that the company is exempt from an audit and a report under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



THE RHP PARTNERSHIP

Chartered Accountants

87 Yarmouth Road, Norwich, NR7 0HF

17 September 2003

Bush Group Limited
Profit and Loss Account
Year ended 31 December 2002

	Note	2002 £	2001 £
Turnover	2	54,095	54,287
Administrative expenses		(41,274)	(36,993)
		<u>12,821</u>	<u>17,294</u>
Other operating income		-	514
Operating Profit	3	<u>12,821</u>	<u>17,808</u>
Interest receivable		770	-
Interest payable and similar charges		(2,237)	(3,051)
Profit on Ordinary Activities Before Taxation		<u>10,706</u>	<u>14,757</u>
Taxation on profit on ordinary activities	5	(2,237)	(2,770)
Profit on Ordinary Activities After Taxation	14	<u>8,469</u>	<u>11,987</u>

All amounts relate to continuing activities.

There was no material difference between the historical cost profit before taxation and the profit on ordinary activities before taxation in either 2002 or 2001.

The notes on pages 8 to 17 form part of these financial statements.

Bush Group Limited

Statement of Total Recognised Gains and Losses and Reconciliation of Movement in Shareholders' Funds

Year ended 31 December 2002

	Note	2002 £	2001 £
Statement of Total Recognised Gains and Losses			
Profit for the year		8,469	11,987
Unrealised surplus on revaluation of properties	14	205,000	-
Total Recognised Gains and Losses for the Year		213,469	11,987
Reconciliation of Movement in Shareholders' Funds			
Profit for the year		8,469	11,987
Unrealised surplus on revaluation of properties		205,000	-
Net addition to shareholders' funds		213,469	11,987
Opening shareholders' funds		(34,756)	(46,743)
Closing Shareholders' Funds		178,713	(34,756)

The notes on pages 8 to 18 form part of these financial statements.

Bush Group Limited
Balance Sheet
Year ended 31 December 2002

	Note	2002 £	£	2001 £	£
Fixed Assets					
Tangible assets	6		503,667		299,890
Investments	7		1,800		1,800
			<u>505,467</u>		<u>301,690</u>
Current Assets					
Debtors	8	78,908		56,309	
Creditors: Amounts falling due within one year	9	(147,878)		(134,867)	
Net Current Liabilities			<u>(68,970)</u>		<u>(78,558)</u>
Total Assets less Current Liabilities			<u>436,497</u>		<u>223,132</u>
Creditors: Amounts falling due after more than one year	10		(257,784)		(257,888)
			<u>178,713</u>		<u>(34,756)</u>
Provision for Liabilities and Charges					
Deferred taxation	12		-		-
Net Assets/(Liabilities)			<u>178,713</u>		<u>(34,756)</u>
Capital and Reserves					
Called up share capital	13		50,000		50,000
Share premium account	14		2,000		2,000
Revaluation reserve	14		219,000		14,000
Profit and loss account	14		(92,287)		(100,756)
Shareholders' Funds - all equity			<u>178,713</u>		<u>(34,756)</u>

The balance sheet continues on page 7

Bush Group Limited

Balance Sheet

Year ended 31 December 2002

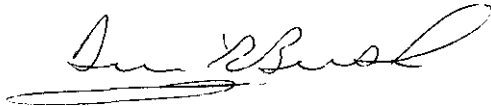
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibility for:

- (a) Ensuring that the company keeps accounting records which comply with section 221 of the 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 31 December 2002 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, 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 and the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the directors on the 9th September 2003 and are signed on their behalf by:



DR Bush
Director

The notes on pages 8 to 17 form part of these financial statements.

Bush Group Limited
Notes to the Financial Statements
Year ended 31 December 2002

1. Accounting Policies

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) and under the historical cost convention, as modified by the revaluation of land and buildings, and are in accordance with applicable accounting standards.

Going Concern

The company showed a profit for the year of £8,469 but, at 31 December 2002, had net current liabilities of £68,970.

The company meets its day to day working capital requirements from its overdraft facility and, at 31 December 2002, an overdraft of £128,253 is included within creditors due within one year. Since 31 December 2002, the facility of £150,000 has been renewed and extended for at least one year.

The support from its bankers and an undertaking from Mr DR Bush, a director, not to withdraw his loan account (which stood at £257,784 at 31 December 2002) to the detriment of other creditors of the company, provide the basis under which the directors consider it appropriate for these accounts to be drawn up on a going concern basis.

Group Accounts

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985 as the group it heads qualifies as a medium sized group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, except freehold land, over their expected useful lives. It is calculated at the following rates:

Plant, machinery and motor vehicles	-	25% reducing balance basis
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Bush Group Limited

Notes to the Financial Statements *(Continued)*

Year ended 31 December 2002

1. Accounting Policies *(Continued)*

Investment properties

In accordance with SSAP19 the investment properties are revalued annually to open market value and no depreciation is provided. The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 1985 has not been quantified because it is impracticable and, in the opinion of the directors, would be misleading.

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

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 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.

Bush Group Limited

Notes to the Financial Statements *(Continued)*

Year ended 31 December 2002

1. Accounting Policies *(Continued)*

Leased Assets

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital element reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Reverse premiums and similar incentives received to enter into operating lease agreements are released to the profit and loss account over the period to the date on which the rent is first expected to be adjusted to the prevailing market rate.

Pension Costs

The company operates a defined benefits scheme and pension contributions are charged to the profit and loss account to spread the cost of the pensions over the employees working lives.

Cashflow Statement

No cashflow statement has been prepared, as the group is exempt from Financial Reporting Standard No 1 under the provisions for small and medium sized companies as set out in sections 246 to 249 of the Companies Act 1985.

2. Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

Bush Group Limited

Notes to the Financial Statements *(Continued)*

Year ended 31 December 2002

3. Operating Profit

	2002 £	2001 £
This has been arrived at after charging/(crediting):		
Rents receivable	(25,370)	(32,927)
Depreciation	1,223	1,630
Profit on sale of fixed assets	-	(66)
	<u> </u>	<u> </u>

4. Directors

	2002 £	2001 £
Directors' emoluments consist of:		
Fees and remuneration for management services	23,156	27,194
Payments to defined contribution pension schemes	625	625
	<u>23,781</u>	<u>27,819</u>

There were 2 (2001 - 2) directors in the company's defined contribution pension scheme during the year.

5. Taxation on Profit on Ordinary Activities

	2002 £	2001 £
Current year		
UK corporation tax	2,237	2,770
Transfer to deferred taxation	-	-
	<u>2,237</u>	<u>2,770</u>

Bush Group Limited

Notes to the Financial Statements *(Continued)*

Year ended 31 December 2002

6. Tangible Fixed Assets

	Freehold land and buildings £	Plant, machinery and motor vehicles £	Total £
Cost or valuation			
At 1 January 2002	295,000	15,455	310,455
Surplus on revaluation	205,000	-	205,000
At 31 December 2002	500,000	15,455	515,455
Depreciation			
At 1 January 2002	-	10,565	10,565
Provided for the year	-	1,223	1,223
At 31 December 2002	-	11,788	11,788
Net book value			
At 31 December 2002	500,000	3,667	503,667
At 31 December 2001	295,000	4,890	299,890

Included in land and buildings are investment properties with a market value of £500,000 (2001 - £295,000). The investment properties were revalued at 31 December 2002 by DR Bush, a director of the company.

Bush Group Limited

Notes to the Financial Statements *(Continued)*

Year ended 31 December 2002

7. Fixed Asset Investments (Unlisted)

	Shares in group undertakings £
<i>Cost</i>	
At 1 January 2002 and 31 December 2002	1,800
<i>Net book value</i>	
At 31 December 2001 and 31 December 2002	1,800

Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:-

	Class of Share capital held	%	Nature of business
<i>Subsidiary undertakings</i>			
Bush Property Management Limited	£1 ordinary	80	Property management and consultancy
Bridgecourt Limited	£1 ordinary	100	Property consultancy services

Unless otherwise stated, the following figures have been extracted from the financial statements for the year ended 31 December 2002.

	Aggregate share capital and reserves £	Profit for the year £
Bush Property Management Limited	56,639	15,249
Bridgecourt Limited	(4,212)	4,734

Bush Group Limited

Notes to the Financial Statements *(Continued)*

Year ended 31 December 2002

8. Debtors

	2002 £	2001 £
Trade debtors	6,496	5,192
Amounts owed by group undertaking	12,121	3,121
Other debtors	6,496	514
Prepayments and accrued income	6,333	406
	<u>31,446</u>	<u>9,233</u>
Amounts receivable after more than one year		
Trade debtors	26,017	26,017
Other debtors	21,445	21,059
	<u>47,462</u>	<u>47,076</u>
	<u>78,908</u>	<u>56,309</u>

9. Creditors: Amounts falling due within one year

	2002 £	2001 £
Bank overdraft (secured – see note 11)	128,253	118,912
Obligations under finance leases	-	1,460
Trade creditors	-	750
Amounts owed to group undertaking (note 16)	8,031	5,805
Taxation and social security	532	473
Corporation tax	2,237	2,770
Other creditors	810	-
Accruals and deferred income	8,015	4,697
	<u>147,878</u>	<u>134,867</u>

Bush Group Limited

Notes to the Financial Statements (Continued)

Year ended 31 December 2002

10. Creditors: Amounts falling due after more than one year

	2002 £	2001 £
Other creditors	<u>257,784</u>	<u>257,888</u>

11. Creditors: Amounts falling due after more than one year

	Bank Overdraft		Finance Lease		Total	
	2002 £	2001 £	2002 £	2001 £	2002 £	2001 £
Facilities repayable on demand:						
- Bank overdraft	128,253	118,912	-	-	128,253	118,912
Other financial liabilities are due:						
- in one year or less	-	-	-	1,460	-	1,460
- in more than one year but less than two years	-	-	-	-	-	-
- in more than two years but less than five years	-	-	-	-	-	-
- in more than five years	-	-	-	-	-	-
	<u>128,253</u>	<u>118,912</u>	<u>-</u>	<u>1,460</u>	<u>128,253</u>	<u>120,372</u>

The bank overdraft is secured on the company's freehold land and buildings and is repayable on demand.

12. Provisions for Liabilities and Charges

Deferred taxation asset/(liability)	2002		2001	
	Unprovided £	Provided £	Unprovided £	Provided £
Capital allowances	9,293	-	10,569	-
Trading losses	11,703	-	12,319	-
	<u>20,996</u>	<u>-</u>	<u>22,888</u>	<u>-</u>

No provision has been made for the potential deferred tax asset arising in respect of unused trading losses since the existence of future trading profits against which these losses may be set cannot be predicted with reasonable certainty at the date of approval of these financial statements.

Bush Group Limited

Notes to the Financial Statements (Continued)

Year ended 31 December 2002

13. Share Capital

Authorised share capital:	2002 £	2001 £
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
	2002 £	2001 £
Allotted, called up and fully paid:		
Ordinary share capital	<u>50,000</u>	<u>50,000</u>

14. Reserves

	Share premium account £	Revaluation reserve £	Profit and loss account £
At 1 January 2002	2,000	14,000	(100,756)
Profit for the year	-	-	8,469
Surplus on revaluation of investment property	-	205,000	-
At 31 December 2002	<u>2,000</u>	<u>219,000</u>	<u>(92,287)</u>

15. Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £625 (2001 - £625). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Bush Group Limited

Notes to the Financial Statements *(Continued)*

Year ended 31 December 2002

16. Related Party Disclosures

Controlling parties

The company is controlled by its director DR Bush.

Related party transactions and balances

During the year, the company received £15,000 from Bush Property Management Limited, a company which is a subsidiary of Bush Group Limited. This transaction was undertaken at arms length. Bush Property Management Limited also meets certain expenses on behalf of the parent undertaking. These inter-company current account and balances are settled periodically. Balances owed by the company on this account at the beginning and end of the financial year are shown in note 9.