

HOMESTEAD (ACORN COURT) LIMITED

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED

30 JUNE 2003



HOMESTEAD (ACORN COURT) LIMITED

ACCOUNTS

YEAR ENDED 30 JUNE 2003

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HOMESTEAD (ACORN COURT) LIMITED

COMPANY INFORMATION

Directors

H Bentham
J D Bentham

Company Secretary

J D Bentham

Registered Office

50 Wood Street
St Annes on Sea
Lancashire
FY8 1QG

Accountants

Moore and Smalley
Chartered Accountants
Richard House
Winckley Square
Preston
PR1 3HP

Bankers

Barclays Bank plc
38 Fishergate
Preston
PR1 2DD

HOMESTEAD (ACORN COURT) LIMITED

DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2003

The directors have pleasure in presenting their report and the unaudited accounts of the company for the year ended 30 June 2003.

Principal Activities

The principal activity of the company during the year was the management of the residential property at Acorn Court, the freehold of which is owned by Liverpool City Council.

Dividends

Due to the nature of the company's activities, no dividends are payable by the company.

Directors

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

	in the parent company	
	At	At
	30 June 2003	1 July 2002
H Bentham	100	100
J D Bentham	204	204

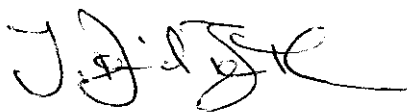
The directors had no beneficial interest in any significant contract with the company.

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.

Signed by order of the directors

J D Bentham
Secretary



Approved by the directors on 24/3/04

HOMESTEAD (ACORN COURT) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 2003

	Note	2003 £	2002 £
Turnover		46,240	44,397
Administrative expenses		(42,258)	(51,057)
Other operating income	2	16,210	9,708
Operating Profit	3	20,192	3,048
Interest receivable		4	1
Profit on Ordinary Activities Before Taxation		20,196	3,049
Tax on profit on ordinary activities	5	—	—
Profit on Ordinary Activities after Taxation		20,196	3,049
Balance brought forward		(6,911)	(9,960)
Transfer to Sinking Fund		(13,285)	—
Balance carried forward		—	(6,911)

HOMESTEAD (ACORN COURT) LIMITED

BALANCE SHEET

30 JUNE 2003

	Note	2003 £	£	2002 £	£
Fixed Assets					
Tangible assets	6		485		606
Current Assets					
Debtors	7	7,178		6,914	
Cash at bank		19,581		5,803	
		<u>26,759</u>		<u>12,717</u>	
Creditors: Amounts falling due within one year	8	<u>13,859</u>		<u>20,134</u>	
Net Current Assets/(Liabilities)			<u>12,900</u>		<u>(7,417)</u>
Total Assets Less Current Liabilities			<u>13,385</u>		<u>(6,811)</u>
Capital and Reserves					
Called-up equity share capital	10		100		100
Other reserves	11		13,285		—
Profit and loss account			—		(6,911)
Shareholders' Funds/(Deficiency)			<u>13,385</u>		<u>(6,811)</u>

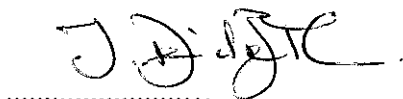
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

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

These accounts 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 accounts were approved by the directors on the 24/3/04 and are signed on their behalf by:



J D Bentham

HOMESTEAD (ACORN COURT) LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 30 JUNE 2003

1. Accounting Policies

Basis of Accounting

The accounts have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Any changes in accounting policy resulting from the implementation of new accounting standards, which have a material effect on the accounts, are disclosed separately within the relevant note to the accounts.

Turnover

Turnover represents service charges receivable from the residential lessees.

Surplus service charge income is transferred to the Service Charge Provision account to be used against future expenditure.

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:

Equipment - 20% pa on written down value

2. Other Operating Income

	2003 £	2002 £
Sinking Fund Income	<u>16,210</u>	<u>9,708</u>

Under the terms of the lease, Sinking Fund income is generated on the sale of any of the properties, at the rate of .05% per year of occupation.

3. Operating Profit

Operating profit is stated after charging:

	2003 £	2002 £
Directors' emoluments	—	—
Depreciation of owned fixed assets	<u>121</u>	<u>152</u>

HOMESTEAD (ACORN COURT) LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 30 JUNE 2003

4. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

	2003	2002
	No	No
Number of management staff	<u>2</u>	<u>2</u>

The aggregate payroll costs of the above were:

	2003	2002
	£	£
Wages and salaries	520	490
Social security costs	—	—
	<u>520</u>	<u>490</u>

5. Tax on Profit on Ordinary Activities

Corporation tax is not due on the income as, under the terms of the lease, Service Charges are held in trust on behalf of the tenants.

Tax is due on interest earned at the Trust Rate applicable.

6. Tangible Fixed Assets

	Equipment £
Cost	
At 1 July 2002 and 30 June 2003	<u>3,599</u>
Depreciation	
At 1 July 2002	2,993
Charge for the year	<u>121</u>
At 30 June 2003	<u>3,114</u>
Net Book Value	
At 30 June 2003	<u>485</u>
At 30 June 2002	<u>606</u>

7. Debtors

	2003	2002
	£	£
Service charges outstanding	6,607	6,914
Other debtors	<u>571</u>	<u>—</u>
	<u>7,178</u>	<u>6,914</u>

HOMESTEAD (ACORN COURT) LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 30 JUNE 2003

8. Creditors: Amounts falling due within one year

	2003	2002
	£	£
Service charges prepaid	656	793
Amounts owed to group undertakings	9,501	12,905
Other creditors	3,702	6,436
	<u>13,859</u>	<u>20,134</u>

9. Related Party Transactions

The company was under the control of Mr J D Bentham throughout the current and previous year. Mr Bentham is the managing director and majority shareholder in the parent company.

No transactions with related parties were undertaken such as are required to be disclosed under FRSSE.

10. Share Capital

Authorised share capital:

	2003	2002
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

11. Other Reserves

	2003	2002
	£	£
Sinking Fund:		
Transfer from the Profit and Loss Account	<u>13,285</u>	<u>—</u>

12. Ultimate Parent Company

The company is a wholly owned subsidiary of Homestead Consultancy Services Limited, a company registered in England.

HOMESTEAD (ACORN COURT) LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS

YEAR ENDED 30 JUNE 2003

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30 June 2003, set out on pages 3 to 7. You consider that the company is exempt from an audit under the Companies Act 1985.

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.

Moore and Smalley

**Moore and Smalley
Chartered Accountants**

26 March 2004

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