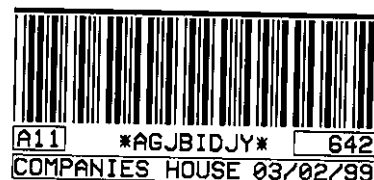


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**WEST LODGE (LEE-ON-SOLENT) LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 1998**

**Shelley Saxon**  
**Accountants Ltd**  
**Registered Office: 9 Colleton Crescent**  
**Exeter, EX2 4DG**  
**Company Reg. No. 3679208**



**WEST LODGE (LEE-ON-SOLENT) LIMITED**  
**REPORT OF THE DIRECTORS**

The Directors have pleasure in submitting their annual Report and the Financial Statements for the year ended 30 June 1998.

**1. PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

The principal activity of the Company is management of the freehold property known as West Lodge, Lee-on-Solent.

**2. PROFIT AND DIVIDENDS**

It is not intended for the Company to trade at a profit or loss for tax purposes and therefore the Directors do not propose the payment of a dividend.

**3. DIRECTOR**

The Directors holding office during the period and their interests in the share capital of the company at the year end were as follows:

|                                | 30.6.98 | 30.6.97 |
|--------------------------------|---------|---------|
| N A Couter (resigned 18.10.98) | 1       | 1       |
| J M Ryles                      | 1       | 1       |
| A J Rose                       | 1       | 1       |
| F Ward (appointed 18.10.98)    | 1       | 1       |
|                                | —       | —       |

**4. FIXED ASSETS**

Significant changes in the fixed assets are shown in note 5 to the financial statements.

**BY ORDER OF THE BOARD**

**A J Rose**

*Angela Rose*

**Secretary**

**WEST LODGE (LEE-ON-SOLENT) LIMITED**  
**DIRECTORS RESPONSIBILITIES**

**DIRECTORS' RESPONSIBILITIES** in respect of the preparation of Financial Statements.

Company Law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Company. In preparing those Financial Statements, the Directors are required to:-

- a. Select suitable Accounting Policies and apply them consistently.
- b. Make judgements and estimates that are reasonable and prudent.
- c. State whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- d. 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 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.

**WEST LODGE (LEE-ON-SOLENT) LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 JUNE 1998**

|                                                                                           | Note | 1998<br>£ | (Period)<br>1997<br>£ |
|-------------------------------------------------------------------------------------------|------|-----------|-----------------------|
| TURNOVER                                                                                  | 1    | 438       | 676                   |
|                                                                                           |      | <hr/>     | <hr/>                 |
| GROSS PROFIT                                                                              |      | 438       | 676                   |
| OTHER INCOME                                                                              | 3    | -         | 15                    |
|                                                                                           |      | <hr/>     | <hr/>                 |
|                                                                                           |      | 438       | 691                   |
| Administration expenses                                                                   |      | (434)     | (691)                 |
| Finance Costs                                                                             |      | (4)       | -                     |
|                                                                                           |      | <hr/>     | <hr/>                 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE AND<br>AFTER TAXATION RETAINED FOR THE YEAR/(PERIOD) |      | £-        | £-                    |
|                                                                                           |      | <hr/>     | <hr/>                 |

The Company has made no acquisitions nor discontinued any operations within the meaning of Financial Reporting Standard 3 during the year. Therefore turnover and operating profit derive entirely from continuing operations.

**WEST LODGE (LEE-ON-SOLENT) LIMITED**  
**BALANCE SHEET AT 30TH JUNE 1998**

|                                              | NOTE | 1998<br>£     | 1997<br>£     |
|----------------------------------------------|------|---------------|---------------|
| <b>FIXED ASSETS</b>                          |      |               |               |
| Tangible Assets                              | 5    | 6,000         | 6,000         |
| <b>CURRENT ASSETS</b>                        |      |               |               |
| Cash at bank                                 |      | 778           | 212           |
| <b>CURRENT LIABILITIES</b>                   |      |               |               |
| due within one year                          | 6    | (772)         | (206)         |
| <b>NET CURRENT ASSETS</b>                    |      | 6             | 6             |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |      | <u>£6,006</u> | <u>£6,006</u> |
| <b>CAPITAL RESERVES</b>                      |      |               |               |
| Issued Share Capital                         | 7    | 6             | 6             |
| Share Premium Account                        | 8    | 6,000         | 6,000         |
|                                              |      | <u>£6,006</u> | <u>£6,006</u> |

**WEST LODGE (LEE-ON-SOLENT) LIMITED**  
**BALANCE SHEET AT 30TH JUNE 1998**  
**(Continued)**

For the period in question the company is entitled to the exemption conferred by subsection (1) of section 249A of the companies Act 1985.

No notice (from members requiring an audit) has been deposited under subsection(0) of section 249B in relation to its accounts for the financial period.

The directors acknowledge their responsibility 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 period and of its profit or loss for the financial period in accordance with requirements of Section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the Company.

The financial statements on pages 2 to 8 were approved by the directors and signed on behalf of the board on 7th January 1999:

F WARD  
Director

*Freda Ward*

**WEST LODGE (LEE-ON-SOLENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 1998**

1. ACCOUNTING POLICIES

Basis of accounting

- a. The financial statements have been prepared in accordance with applicable accounting standards.
- b. The financial statements have been prepared under the historical cost convention.
- c. Turnover  
  
Turnover represents the management charge invoiced to the members, excluding value added tax.
- d. Tangible fixed assets and depreciation  
  
The tangible fixed asset acquired by the company is not a depreciating asset and therefore a depreciation charge has not been made to the accounts. The asset has been included in the accounts at cost.
- e. Cashflow Statement  
  
The company has taken advantage of the exemptions provided in FRS1 for small and medium-sized companies and has not prepared a cashflow statement.
- f. Going Concern  
  
The financial statements have been prepared on the going concern basis.

2. SEGMENTAL INFORMATION

The turnover and pre-tax profits are attributable to the company's principal activity carried out in the South of England.

3. OTHER INCOME

|                        | 1998 | 1997 |
|------------------------|------|------|
|                        | £    | £    |
| Bank Interest Received | NIL  | 15   |
|                        | —    | —    |

**WEST LODGE (LEE-ON-SOLENT) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 1998**

4. DIRECTORS' REMUNERATION

The directors and company secretary hold their positions as non-executives.  
 There are no employees of the company.

|                                             | 1998 | 1997 |
|---------------------------------------------|------|------|
|                                             | £    | £    |
| Directors' remuneration<br>(including fees) | NIL  | NIL  |
|                                             | —    | —    |

5. TANGIBLE FIXED ASSETS

|                                               | Freehold<br>Property<br>£ |
|-----------------------------------------------|---------------------------|
| Cost at 30 June 1997 and at<br>30th June 1998 | £6,000                    |
|                                               | —                         |

6. CURRENT LIABILITIES due within one year

|                                   | 1998 | 1997 |
|-----------------------------------|------|------|
|                                   | £    | £    |
| Members' Current Account Balances | 772  | 206  |
|                                   | —    | —    |

7. SHARE CAPITAL

|                                                                   |    |    |
|-------------------------------------------------------------------|----|----|
| Authorised, Issued and fully paid<br>6 Ordinary Shares of £1 each | £6 | £6 |
|                                                                   | —  | —  |

**WEST LODGE (LEE-ON-SOLENT) LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH JUNE 1998**

8. SHARE PREMIUM ACCOUNT

Each member paid £1,000 each over and above the nominal value of the shares on receipt, either on transfer of the share allotted on incorporation or the allotment of the further shares, such transactions having taken place on 5th July 1996.