

Company Number 3233021

BAILEY PROPERTY MANAGEMENT LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st AUGUST 2002



BAILEY PROPERTY MANAGEMENT LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED

31ST AUGUST 2002

The director presents his report and the financial statements for the year ended 31st August 2002.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be that of the letting of residential property.

DIRECTOR

The director at 31st August 2002 and his interest in the share capital of the company was as follows:

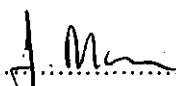
	<u>£1 Ordinary Shares</u>	
	<u>2002</u>	<u>2001</u>
D. B. THOMPSON	2	2

SMALL COMPANY RULES

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

Date...11.6.03.....

Signed on behalf of the Board


.....
J. MORRISON
Secretary

BAILEY PROPERTY MANAGEMENT LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
31ST AUGUST 2002

	<u>Note</u>	<u>2002</u>	<u>2001</u>
TURNOVER	1	<u>6480</u>	<u>9165</u>
GROSS PROFIT		6480	9165
Administrative Expenses		(2895)	(3555)
Depreciation	2	<u>(95)</u>	<u>(2154)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		3490	3456
Interest Receivable		2	1
Interest Payable		<u>(3112)</u>	<u>(3860)</u>
PROFIT (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		380	(403)
Taxation on Profit (Loss) on ordinary activities	6	<u>80</u>	<u>(266)</u>
PROFIT (LOSS) FOR THE YEAR		460	(669)
LOSSES BROUGHT FORWARD		<u>(5506)</u>	<u>(4837)</u>
LOSSES CARRIED FORWARD		£ <u>(5046)</u>	£ <u>(5506)</u>

The notes on pages 4 and 5 form part of these financial statements

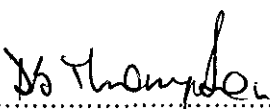
BAILEY PROPERTY MANAGEMENT LIMITED

BALANCE SHEET AT 31ST AUGUST 2002

	<u>Note</u>	<u>2002</u>	<u>2001</u>
FIXED ASSETS			
Tangible Assets	2	87134	81990
CURRENT ASSETS			
Debtors	3	-	1170
Cash at Bank		<u>1007</u>	<u>1138</u>
		1007	2308
CREDITORS:			
Amounts falling due within one year	4	(5749)	(5997)
NET CURRENT (LIABILITIES)		(4742)	(3689)
TOTAL ASSETS LESS CURRENT LIABILITIES		82392	78301
CREDITORS :			
Amounts falling due after more than one year	4	(87436)	(83805)
NET ASSETS		£ (5044)	£ (5504)
CAPITAL AND RESERVES			
Issued Shared Capital	5	2	2
Profit and Loss Account		(5046)	(5506)
Shareholders' Funds		£ (5044)	£ (5504)

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A (1) of the Companies Act 1985. Members have not required the company, under Section 249 B (2) of the Companies Act 1985, to obtain an audit for the year ended 31st August 2002. The director acknowledges his responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31st August 2002 and of its Profit/Loss for the year then ended in accordance with Section 226 and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies were approved by the Board on...11th June 2003 and signed on its behalf.


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D. B. THOMPSON - Director

BAILEY PROPERTY MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST AUGUST 2002

1. ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

(b) Turnover

Turnover comprises the value of rents receivable

(c) Tangible fixed assets and depreciation.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives on the following basis:

Freehold Property	- 2.5% on Reducing Balance
Furniture and Fittings	- 15% on Reducing Balance

2. TANGIBLE FIXED ASSETS

	<u>Freehold Property</u>	<u>Others</u>	<u>TOTAL</u>
COST			
As at 1 st September 2001	88609	719	89328
Additions	<u>4954</u>	<u>285</u>	<u>5239</u>
As at 31 st August 2002	<u>93563</u>	<u>1004</u>	<u>94567</u>
 DEPRECIATION			
As at 1 st September 2001	6966	372	7338
Charge for the year	<u>-</u>	<u>95</u>	<u>95</u>
As at 31 st August 2002	<u>6966</u>	<u>467</u>	<u>7433</u>
 NET BOOK VALUE			
As at 31 st August 2001	£ <u>81643</u>	£ <u>347</u>	£ <u>81990</u>
As at 31 st August 2002	£ <u>86597</u>	£ <u>537</u>	£ <u>87134</u>

The director considers that the market value of Freehold Property is in excess of the Net Book Value. In view of the recent increase in Property values the director has not provided for depreciation on Freehold Properties for the year,

2002 2001

3. DEBTORS

Other Debtors	£ <u>-</u>	£ <u>1170</u>
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BAILEY PROPERTY MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31ST AUGUST 2002 (CONTD...)

	<u>2002</u>	<u>2001</u>
4. CREDITORS: amounts falling due within one year.		
Other Creditors	1831	1831
Corporation Tax	18	266
Building Society Mortgage	<u>3900</u>	<u>3900</u>
	£ <u>5749</u>	£ <u>5997</u>
Amounts falling due after more than one year:		
Director's Loan	50621	45714
Building Society Mortgage	<u>36815</u>	<u>38092</u>
	£ <u>87436</u>	£ <u>83806</u>
5. SHARE CAPITAL		
Authorised		
100000 Ordinary Shares of £1 each	£ <u>100000</u>	£ <u>100000</u>
Issued		
2 Ordinary Shares of £1 each	£ <u>2</u>	£ <u>2</u>
6. TAXATION		
U. K. Corporation Tax	£ <u>(80)</u>	£ <u>266</u>