

20426370

WG PROPERTIES LIMITED

REPORT AND ACCOUNTS

- for the year ended -

31 October 2003



A18
COMPANIES HOUSE

AQNWSZUS

0434
02/11/04

WG PROPERTIES LIMITED

CONTENTS

	<u>Page</u>
Company Information	2
Report of the Directors	3
Audit Report	5
Profit and Loss Account	7
Statement of Total Recognised Gains and Losses	8
Balance Sheet	9
Notes to the Accounts	10
Schedule to the Profit and Loss Account	14

WG PROPERTIES LIMITED

COMPANY INFORMATION

DIRECTORS

H A Atashroo
A F Atashroo
N Rohani-Najafabadi

SECRETARY

H A Atashroo

REGISTERED OFFICE

5 Calico Row
Plantation Wharf
London SW11 3TW

COMPANY NUMBER

3772636 (England)

AUDITORS

Reza Samii
Chartered Accountant
And Registered Auditor

19 Cornerways
1 Daylesford Avenue
London SW15 5QP

WG PROPERTIES LIMITED

REPORT OF THE DIRECTORS

The Directors present their Annual Report together with the Audited Accounts for the year ended 31 October 2003.

RESULTS

	<u>2003</u>	<u>2002</u>
The results for the period are set out below:		
Profit for the year before Taxation	62,297	49,955
Taxation	(3,706)	(7,937)
	-----	-----
Retained profit for the year	£58,591	£42,018
	=====	=====

REVIEW OF ACTIVITIES

The principal activity of the company is that of investing, renovating and managing properties.

DIRECTORS

The Directors during the year and their beneficial interests in the Company's shares at the dates specified were as follows: -

	<u>31 October</u> <u>2003</u> <u>Ordinary</u> <u>Shares</u> <u>of £1 each</u>	<u>1 November</u> <u>2002</u> <u>Ordinary</u> <u>Shares</u> <u>of £1 each</u>
A F Atashroo	375	375
H A Atashroo	375	375
N Rohani-Najafabadi	250	250
	=====	=====

AUDITORS

Mr Reza Samii Chartered Accountant was appointed as auditor to the Company and in accordance with section 385 of the Companies Act 1985, a resolution concerning the re-appointment and remuneration of Mr Reza Samii as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

STATEMENT OF DIRETORS' RESPONSIBILITIES

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 and of the profit or loss of the company for that period.

WG PROPERTIES LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Financial Reporting Standard for Smaller Entities has been followed, subject to any material departures disclosed and explained in the Accounts;
- 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 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.

The directors' report is prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small Companies.

By Order of the Board



A F Atashroo
Director

Date: 26 October 2004

WG PROPERTIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO

THE SHAREHOLDERS OF W G PROPERTIES LIMITED

We have audited the financial statements of WG Properties Limited on pages 7 to 13 for the year ended 31 October 2003 which comprise of the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors:

As described in the Statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if the information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Opinion:

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements,

WG PROPERTIES LIMITED

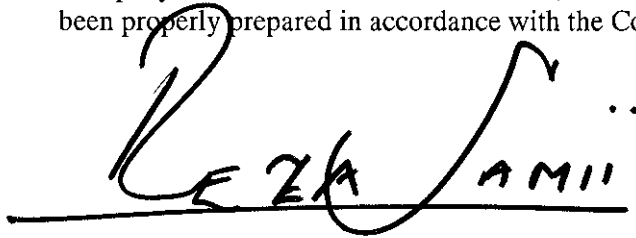
INDEPENDENT AUDITOR'S REPORT TO

THE SHAREHOLDERS OF W G PROPERTIES LIMITED (CONTINUED)

whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion:

In our opinion the financial statements give a true and fair view of the state of the Company's Affairs as at 31 October 2003, and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'REZA SAMII', is written over a horizontal line. The signature is stylized with a large 'R' and a long, sweeping flourish at the end.

Reza Samii
Chartered Accountant and Registered Auditor

Firm no. 7390233

19 Cornerways
1 Daylesford Avenue
London SW15 5QP

Date: 26 October 2004

WG PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT

- for the year ended -

31 OCTOBER 2003

	<u>Note</u>	<u>2003</u>	<u>2002</u>
Turnover	2	126,132	90,095
Administrative Expenses		(46,731)	(13,273)
		-----	-----
Operating Profit		79,401	76,822
Interest Payable	4	(41,876)	(41,867)
		-----	-----
Profit on Ordinary Activities before Taxation	2	37,525	34,955
Gain on Disposal of Long-term Lease	3	24,772	-
Premium Received on Granting a Short-term Lease		-	15,000
		-----	-----
		62,297	49,955
Taxation on Profit on Ordinary Activities	5	(3,706)	(7,937)
		-----	-----
Retained profit for the year		£58,591	£42,018
		=====	=====

WG PROPERTIES LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

- for the year ended -

31 OCTOBER 2003

	<u>Note</u>	<u>2003</u>	<u>2002</u>
Retained Profit for the year		58,591	42,018
Unrealised Surplus on Revaluation of Investment Properties	10	-	319,830
Transfer from unrealised to realised Profit On Disposal of Investment Property		2,321	-
		-----	-----
Total recognised Gains for the year		£60,912	£361,848
		=====	=====

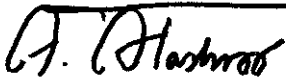
WG PROPERTIES LIMITED

BALANCE SHEET AT 31 OCTOBER 2003

	<u>Note</u>	<u>2003</u>	<u>2002</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible	6	1,590,798	1,640,000
<u>CURRENT ASSETS</u>			
Cash at Bank and in Hand		12,011	2,914
Other Debtors		130,266	-
<u>CREDITORS – Amounts</u>			
<u>Falling Due Within One Year</u>	7	(123,603)	(104,874)
		-----	-----
<u>NET CURRENT ASSETS</u>		18,674	(101,960)
		-----	-----
<u>TOTAL ASSETS LESS</u>			
<u>CURRENT LIABILITIES</u>		1,609,472	1,538,040
<u>CREDITORS – Amounts</u>			
<u>Falling Due After One Year</u>	8	(1,048,425)	(1,035,585)
		-----	-----
		£561,047	£502,455
		=====	=====
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	9	1,000	1,000
Revaluation Reserves	10	415,101	417,421
Profit and Loss Account	10	144,946	84,034
		-----	-----
		£561,047	£502,455
		=====	=====

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with Financial Reporting Standard for Smaller Entities (effective June 2002).

These accounts were approved by the Board on 26 October 2004.


MR A F ATASHROO
Director

WG PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company accounts.

a) Accounting Convention

The Accounts are prepared under the Historical Cost Convention as modified to include the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

b) Turnover

This represents rental income receivable during the period.

c) Deferred Taxation

No provision has been made for deferred taxation on the revaluation of the company's investment properties arising on their disposals, as these will continue to be needed for the purposes of the present activities.

2 RENTAL INCOME AND DISCLOSABLE EXPENSES

The rental income and profit before taxation is attributable to the main activity of the company, which arose wholly in the United Kingdom.

Operating profit is stated after charging:-

	<u>2003</u>	<u>2002</u>
	£	£
Auditors' Remuneration	881	353
Directors' Remuneration	-	-
	=====	=====

3 GAIN ON DISPOSAL OF LONG-TERM LEASE

Sale Proceeds on Disposal of 51 Danebury Avenue, London SW15		137,500
Less: Incidental cost of sale		
Auctioner's Commision	3,724	
Legal Expenses	3,957	
Others	47	

		(7,728)

		129,772
Less: Carrying value		105,000

Gain on Disposal of the Long-Term Lease		24,772
		=====

WG PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

4 INTEREST PAYABLE

	<u>2003</u>	<u>2002</u>
On Bank loans wholly repayable after five years	41,876	41,867
Interest on late payment Corporation Tax	46	-
	-----	-----
	£41,922	£41,867
	=====	=====

5 TAXATION

	<u>2003</u>	<u>2002</u>
	£	£
United Kingdom Corporation Tax at 18% (2002:19.42%) based on profit for the period.	£3,706	9,054
Under / (Over) provision for previous year	-	(1,117)
	-----	-----
	£3,706	£7,937
	=====	=====

6 TANGIBLE FIXED ASSETS

INVESTMENT PROPERTIES

<u>Cost or Valuation:</u>	<u>Long- leasehold Property</u>	<u>Freehold Property</u>	<u>Total</u>
	£	£	£
Balance at 1 November 2002	1,390,000	250,000	1,640,000
Additions during the year	55,798	-	55,798
Sales of Property	(105,000)	-	(105,000)
Surplus on Revaluation	-	-	-
	-----	-----	-----
Balance at 31 October 2003	1,340,798	250,000	1,590,798
	=====	=====	=====

Investment properties are not being depreciated.

In June 2002, all the investment properties were revalued on an open market basis by Lamberts, an independent firm of Chartered Surveyors.

WG PROPERTIES LIMITED

The directors consider the professionally revalued amounts to fairly represent the values as at 31 October 2003.

On a historical costs basis, freehold and leasehold land and buildings would have been included as follows:-

	<u>2003</u> £	<u>2002</u> £
Cost	1,195,631 =====	1,222,578 =====

7 CREDITORS

	<u>2003</u>	<u>2002</u>
<u>Amounts Falling Due Within One Year</u>		
Bank Loan	64,636	43,892
Corporation Tax	3,706	9,054
Accruals and Other Creditors	4,586	10,253
Amounts owed to related undertakings	50,675	41,675
	-----	-----
	£123,603	£104,874
	=====	=====

8 CREDITORS

	<u>2003</u>	<u>2002</u>
<u>Amounts Falling Due After One Year</u>		
Bank Loan	616,972	665,171
Amounts Due to the Directors	431,453	370,414
	-----	-----
	£1,048,425	£1,035,585
	=====	=====

Bank Loan - Amount repayable:

	<u>2003</u>	<u>2002</u>
In 1 year or less	64,636	43,892
Between 1 and 2 years	64,636	46,695
Between 2 and 5 years	193,908	159,416
After 5 years	358,428	459,060
	-----	-----
	£681,608	£709,063
	=====	=====

The Bank Loan is secured on freehold and leasehold properties and is repayable over 15 years.

The current portion of the loan amounting to £64,636 is shown in Amounts Falling Due Within One Year.

The directors' loans are unsecured and interest free.

WG PROPERTIES LIMITED

NOTES TO THE ACCOUNTS

9 SHARE CAPITAL

	<u>2003</u>	<u>2002</u>
<u>Authorised</u>		
Ordinary Shares of £1 each	£1,000 =====	£1,000 =====
<u>Issued, Called Up and Fully Paid</u>	<u>2003</u>	<u>2002</u>
Ordinary Shares of £1 each	£1,000 =====	£1,000 =====

10 RESERVES

	<u>Profit And Loss Account</u>	<u>Revaluation Reserves</u>
Balance at 1 November 2002	84,034	417,422
Realised on Disposal	2,321	(2,321)
Retained profit for the year	58,591	-
	-----	-----
Balance at 31 October 2003	£144,946 =====	£415,101 =====

11 RELATED PARTY TRANSACTIONS

The company was controlled throughout the current and previous year by Messrs HA and AF Atashroo by virtue of their share holdings as shown in the Directors' Report.

WG Properties Ltd granted a 21-year lease to Watergraphic Ltd, a company in which Mr H. A. Atashroo is a director and a major shareholder. The current rent has been agreed at £84,000 per annum. This has been determined on a commercial basis by independent Chartered Surveyors.

Administrative Expenses include £9,000 (£9,000 for year ended 31 October 2002) in respect of Management Charges payable to Watergraphic Ltd. Balance due to Watergraphic Ltd at 31/10/03 was £50,675.

During the year the company received the rents of £8,333 and £20,904 from Logtill Ltd and Jewelfind Ltd respectively, companies in which Mr. H A Atashroo has controlling interests. No balances were outstanding from these companies at the year end.

Additional related party information is give in notes 7 and 8 to the accounts.