WAYSEAL INVESTMENTS LIMITED
REGISTERED NUMBER: 4569713 (England and Wales)

# REPORT OF THE DIRECTORS AND

# FINANCIAL STATEMENTS

# AT 31 DECEMBER 2002

# FOR

# WAYSEAL INVESTMENTS LIMITED

# AND SUBSIDIARY COMPANIES

*ADPD9PF2*
A23
COMPANIES HOUSE
0398
23/10/03

PORTER, GEE & CO.
CHARTERED ACCOUNTANTS
LONDON

# WAYSEAL INVESTMENTS LIMITED AND SUBSIDIARY COMPANIES

## COMPANY INFORMATION
## AT 31 DECEMBER 2002

| | |
|---|---|
| **DIRECTORS:** | R E THOMAS<br>MRS D E M THOMAS |
| **SECRETARY:** | R E THOMAS |
| **REGISTERED OFFICE:** | Lancaster House<br>Barrack Lane<br>WINDSOR<br>Berkshire<br>SL4 1HD |
| **REGISTERED NUMBER:** | 4569713 (England and Wales) |
| **AUDITORS:** | PORTER, GEE & CO.<br>Chartered Accountants<br>Registered Auditor<br>Walmar House<br>288-292 Regent Street<br>LONDON W1B 3AL |

## WAYSEAL INVESTMENTS LIMITED AND SUBSIDIARY COMPANIES

## REPORT OF THE DIRECTORS AT 31 DECEMBER 2002

The directors present their report with the financial statements of the company and the group at 31 December 2002.

### COMMENCEMENT OF OPERATIONS

The holding company was incorporated on 22 October 2002 and commenced operations as a non-trading holding company on 31 December 2002 as part of a scheme of reconstruction under which certain former subsidiaries of Windsor Estates Limited were acquired in exchange for shares in the holding company.

### PRINCIPAL ACTIVITIES

The principal activities of the group in the period under review were those of investment in property for the long term, unlisted trading companies and classic motor cars.

### DIRECTORS

The directors during the year under review were:

R E THOMAS
MRS D E M THOMAS

The beneficial interests of the directors holding office on 31 December 2002 in the issued share capital of the company were as follows:

| | 31.12.02 | at date of appointment |
|---|---|---|
| **Ordinary £1 shares** | | |
| R E THOMAS | 52 | 52 |
| MRS D E M THOMAS | 16 | 16 |

Both the directors, being eligible, offer themselves for election at the forthcoming first Annual General Meeting.

### STATEMENT OF DIRECTORS' 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 the group and of the profit or loss of the group for that period. 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;
- 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### AUDITORS

The auditors, PORTER, GEE & CO., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

## WAYSEAL INVESTMENTS LIMITED AND SUBSIDIARY COMPANIES

## REPORT OF THE DIRECTORS
## AT 31 DECEMBER 2002

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

**ON BEHALF OF THE BOARD:**



R E THOMAS - SECRETARY

Dated: ..11.....September 2003

## WAYSEAL INVESTMENTS LIMITED AND SUBSIDIARY COMPANIES

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WAYSEAL INVESTMENTS LIMITED

We have audited the financial statements of WAYSEAL INVESTMENTS LIMITED AND SUBSIDIARY COMPANIES for the period ended 31 December 2002 on pages five to twelve. These financial statements have been prepared 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 auditors' 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 on page two the company's directors are responsible for the preparation of 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.

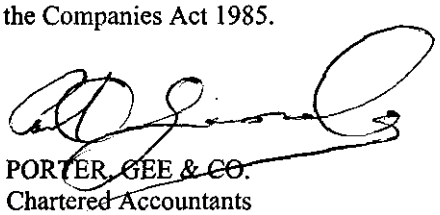
We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has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

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

**Basis of audit 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 explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, 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 affairs of the company and the group as at 31 December 2002 and of the results of the group for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PORTER, GEE & CO.
Chartered Accountants
Registered Auditor
Walmar House
288-292 Regent Street
LONDON W1B 3AL

Dated: .....September 2003

## WAYSEAL INVESTMENTS LIMITED AND SUBSIDIARY COMPANIES

### CONSOLIDATED PROFIT AND LOSS ACCOUNT
### FOR THE PERIOD ENDED 31 DECEMBER 2002

The holding company acquired its subsidiary companies on 31 December 2002, when it commenced operations. Consequently during the period ended 31 December 2002 the group made neither a profit nor a loss.

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
### FOR THE PERIOD ENDED 31 DECEMBER 2002

| | £ |
|---|---|
| Surplus on revaluation of fixed assets | 714,771 |
| Issue of ordinary shares in exchange for shares in subsidiary companies | 651,322 |
| **TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD** | £1,366,093 |

The notes form part of these financial statements

## WAYSEAL INVESTMENTS LIMITED AND SUBSIDIARY COMPANIES

### CONSOLIDATED BALANCE SHEET
### 31 DECEMBER 2002

| | Notes | £ | £ |
|---|---|---|---|
| **FIXED ASSETS** | | | |
| Tangible assets | 4 | | 1,360,000 |
| Investments | 5 | | 21,750 |
| | | | 1,381,750 |
| **CURRENT ASSETS** | | | |
| Debtors | 6 | 140,467 | |
| Cash at bank | | 6,296 | |
| | | 146,763 | |
| **CREDITORS** | | | |
| Amounts falling due within one year | 7 | 74,920 | |
| **NET CURRENT ASSETS** | | | 71,843 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | | 1,453,593 |
| **CREDITORS** | | | |
| Amounts falling due after more than one year | 8 | | 87,500 |
| | | | £1,366,093 |
| **CAPITAL AND RESERVES** | | | |
| Called up share capital | 10 | | 100 |
| Share premium | 11 | | 651,222 |
| Revaluation reserve | 11 | | 714,771 |
| **SHAREHOLDERS' FUNDS** | 12 | | £1,366,093 |

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**

R E THOMAS - DIRECTOR

Approved by the Board on ....11....September 2003

The notes form part of these financial statements

## WAYSEAL INVESTMENTS LIMITED

### COMPANY BALANCE SHEET
### 31 DECEMBER 2002

| | Notes | £ |
|---|---|---|
| **FIXED ASSETS** | | |
| Investments | 5 | 651,322 |
| **NET CURRENT LIABILITIES** | | - |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | £651,322 |
| **CAPITAL AND RESERVES** | | |
| Called up share capital | 10 | 100 |
| Share premium | 11 | 651,222 |
| **SHAREHOLDERS' FUNDS** | 12 | £651,322 |

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**

R E THOMAS - DIRECTOR

Approved by the Board on 11 September 2003

The notes form part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2002

### 1. ACCOUNTING POLICIES

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Basis of consolidation**

The group financial statements consolidate the balance sheets of the holding company and its subsidiaries at 31 December 2002.

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the group qualifies as a small group.

**Tangible fixed assets**

Depreciation was provided at 10% on original cost to write off fixtures and fittings.

No depreciation is provided in respect of freehold investment property as the directors consider this policy is necessary for the financial statements to give a true and fair view.

A classic motor car previously held as stock by one subsidiary remains unsold. This has been transferred to fixed assets at 31 December 2002 and revalued. This will be revalued or depreciated in future years.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

### 2. STAFF COSTS

There were no staff costs for the period ended 31 December 2002.

### 3. PROFIT OF PARENT COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company had no profit and loss account for the period ended 31 December 2002.

### 4. TANGIBLE FIXED ASSETS

**Group**

| | Freehold property £ | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
|---|---|---|---|---|
| **COST OR VALUATION:** | | | | |
| At acquisition | 758,239 | 13,993 | - | 772,232 |
| Additions | - | - | 81,990 | 81,990 |
| Revaluations | 541,761 | - | (21,990) | 519,771 |
| At 31 December 2002 | 1,300,000 | 13,993 | 60,000 | 1,373,993 |
| **DEPRECIATION:** | | | | |
| At acquisition | - | 13,993 | - | 13,993 |
| **NET BOOK VALUE:** | | | | |
| At 31 December 2002 | 1,300,000 | - | 60,000 | 1,360,000 |

4. **TANGIBLE FIXED ASSETS - continued**

**Group**
Cost or valuation at 31 December 2002 is represented by:

| | Freehold property £ | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
|---|---|---|---|---|
| Valuation in 2002 | 1,300,000 | - | 60,000 | 1,360,000 |
| Cost | - | 13,993 | - | 13,993 |
| | 1,300,000 | 13,993 | 60,000 | 1,373,993 |

If freehold investment property had not been revalued it would have been included at the following historical cost:

| | £ |
|---|---|
| Cost | 758,239 |

Freehold investment property was valued on an open market basis on 31 December 2002 by Croft & Co.

An interest in property included at valuation of £800,000 has been retained by the company from which it was transferred by way of an option to reacquire the property at cost of £498,705 in the event that it be sold to a third party.

5. **FIXED ASSET INVESTMENTS**

**Group**

| | Unlisted investments £ |
|---|---|
| **COST:** | |
| At acquisition | 21,750 |
| **NET BOOK VALUE:** | |
| At 31 December 2002 | 21,750 |

The group's investment is in a company operating as a databased marketing consultant, Marketpoint (Europe) Limited, incorporated in England and Wales. At 31 December 2002 the investment, which in the opinion of the directors has a market value of not less than cost consisted of 5,824 shares of 50p each, representing 17.5% of the issued share capital.

R.E.Thomas, a director, has also made investments in Marketpoint (Europe) Limited which at 31 December 2002 amounted to 25% of its issued capital.

**Company**

| | Shares in group undertakings £ |
|---|---|
| **COST:** | |
| Addition | 651,322 |
| At 31 December 2002 | 651,322 |
| **NET BOOK VALUE:** | |
| At 31 December 2002 | 651,322 |

## 5. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies consist of the following subsidiaries:

**Wayseal Property Investments Limited**
Nature of business: Property investment

| | % |
|---|---|
| Class of shares: | holding |
| Ordinary | 100.00 |

**Wayseal Securities Limited**
Nature of business: Investment in unlisted trading companies

| | % |
|---|---|
| Class of shares: | holding |
| Ordinary | 100.00 |

**Wayseal Finance Limited**
Nature of business: Investment in classic motor cars

| | % |
|---|---|
| Class of shares: | holding |
| Ordinary | 100.00 |

## 6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group<br>£ |
|---|---|
| Amounts due from associated Group - Wayseal Holdings Limited | 137,817 |
| Prepayments and accrued income | 2,650 |
| | 140,467 |

## 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group<br>£ |
|---|---|
| Bank loans and overdrafts (see note 9) | 50,000 |
| Taxation | 22,570 |
| Social security and other taxes | 350 |
| Accrued expenses | 2,000 |
| | 74,920 |

## 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Group £ |
|---|---|
| Bank loans (see note 9) | 87,500 |

## 9. LOANS

An analysis of the maturity of loans is given below:

| | Group £ |
|---|---|
| Amounts falling due within one year or on demand: | |
| Bank loans - less than 1 year | 50,000 |
| Amounts falling due between one and two years: | |
| Bank loans - 1-2 years | 50,000 |
| Amounts falling due between two and five years: | |
| Bank loans - 2-5 years | 37,500 |

## 10. SECURED DEBTS

The following secured debts are included within creditors:

| | Group £ |
|---|---|
| Bank loans | 137,500 |

The group's bank indebtedness is secured upon its property assets supported by a corporate guarantee from the principal operating subsidiary of its associated group.

## 11. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

| Number: | Class: | Nominal value: | £ |
|---|---|---|---|
| 100 | Ordinary | £1 | 100 |

The following fully paid shares were allotted during the period at a premium as shown below:

100 Ordinary shares of £1 each at £6,512.22 per share

## 11. RESERVES

**Group**

| | Share premium £ | Revaluation reserve £ | Totals £ |
|---|---|---|---|
| Issue of ordinary shares in exchange for shares in subsidiary companies | 651,222 | - | 651,222 |
| Surplus on revaluation of fixed assets | - | 714,771 | 714,771 |
| At 31 December 2002 | 651,222 | 714,771 | 1,365,993 |

**Company**

| | Share premium £ | Totals £ |
|---|---|---|
| Issue of ordinary shares in exchange for shares in subsidiary companies | 651,222 | 651,222 |
| At 31 December 2002 | 651,222 | 651,222 |

## 12. CONTINGENT LIABILITIES

A subsidiary company has charged its property as security for a corporate guarantee in respect of the bank indebtedness of a subsidiary company of its associated group.

## 13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

**Group**

| | £ |
|---|---|
| Recognised gains and losses relating to the period (net) | 1,366,093 |
| **Net addition to shareholders' funds** | 1,366,093 |
| Opening shareholders' funds | - |
| **Closing shareholders' funds** | 1,366,093 |
| Equity interests | 1,366,093 |

**Company**

| | £ |
|---|---|
| Recognised gains and losses relating to the period (net) | 651,322 |
| **Net addition to shareholders' funds** | 651,322 |
| Opening shareholders' funds | - |
| **Closing shareholders' funds** | 651,322 |
| Equity interests | 651,322 |