

Good News (Dunfermline) Ltd
Financial Statements
31 August 2002

Company Registration Number SC168501

HONEYMAN FLEMING
Chartered Accountants
Royal Bank Buildings
Church Street
Buckhaven
Fife KY8 1BN



Good News (Dunfermline) Ltd

Officers and Professional Advisers

The Board of Directors

Mohammed Ramzan
Naseem Ramzan

Company Secretary

Mohammed Ramzan

Registered Office

98-104 Park Road
Rosyth
Fife
Scotland
KY11 2JL

Accountants

Honeyman Fleming
Chartered Accountants
Royal Bank Buildings
Church Street
Buckhaven
Fife KY8 1BN

Bankers

Clydesdale Bank plc
64 High Street
Dunfermline
Fife
KY12 7AS

Good News (Dunfermline) Ltd

The Directors' Report

Year ended 31 August 2002

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31 August 2002.

Principal activities

The principal activity of the company during the year was leasing of investment property.

The directors and their interests in shares of the company

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

	Ordinary Shares of £1 each	
	At	At
	31 August 2002	1 September 2001
Mohammed Ramzan	11,500	11,500
Naseem Ramzan	<u>11,500</u>	<u>11,500</u>

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.

Registered office:
98-104 Park Road
Rosyth
Fife
Scotland
KY11 2JL

Signed by order of the directors



Mohammed Ramzan
Company Secretary

Approved by the directors on 29 November 2002

Good News (Dunfermline) Ltd

Profit and Loss Account

Year ended 31 August 2002

	Note	2002 £	2001 £
Turnover		26,313	30,549
Administrative expenses		<u>7,575</u>	<u>10,217</u>
Operating profit	2	18,738	20,332
Interest receivable		1	2
Interest payable		–	(544)
Profit on ordinary activities before taxation		<u>18,739</u>	<u>19,790</u>
Tax on profit on ordinary activities	3	4,142	6,122
Retained profit for the financial year		<u>14,597</u>	<u>13,668</u>
Balance brought forward		<u>14,219</u>	551
Balance carried forward		<u><u>28,816</u></u>	<u><u>14,219</u></u>

The notes on pages 6 to 10 form part of these financial statements.

Good News (Dunfermline) Ltd

Balance Sheet

Year ended 31 August 2002

	Note	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	4		149,545		156,336
Current assets					
Debtors	5	25,193		11,788	
Investments	6	3,605		3,605	
Cash at bank		12,428		4,570	
		<u>41,226</u>		<u>19,963</u>	
Creditors: Amounts falling due within one year	7	<u>100,555</u>		<u>101,846</u>	
Net current liabilities			<u>(59,329)</u>		<u>(81,883)</u>
Total assets less current liabilities			<u>90,216</u>		<u>74,453</u>
Provisions for liabilities and charges					
Deferred taxation	8		<u>3,430</u>		<u>2,264</u>
			<u>86,786</u>		<u>72,189</u>

The balance sheet continues on the following page.

The notes on pages 6 to 10 form part of these financial statements.

Good News (Dunfermline) Ltd

Balance Sheet *(continued)*

Year ended 31 August 2002

Capital and reserves

Called-up equity share capital	11	23,000	23,000
Other reserves		34,970	34,970
Profit and Loss Account		28,816	14,219
Shareholders' funds		86,786	72,189

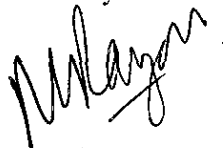
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, 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 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 financial statements, so far as applicable to the company.

These financial statements 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 March 2000).

These financial statements were approved by the directors on the 29 November 2002 and are signed on their behalf by:



Mohammed Ramzan

The notes on pages 6 to 10 form part of these financial statements.

Good News (Dunfermline) Ltd

Notes to the Financial Statements

31 August 2002

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the *Financial Reporting Standard for Smaller Entities* (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

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:

Investment Property	- 2% straight line
Fittings & Equipment	- 15% reducing balance

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with the FRSSE which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

Good News (Dunfermline) Ltd

Notes to the Financial Statements

31 August 2002

1. Accounting policies *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

* provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

* provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

* deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a discounted/an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating profit

Operating profit is stated after charging:

	2002	2001
	£	£
Directors' emoluments	—	—
Depreciation	<u>6,791</u>	<u>7,527</u>

3. Tax on profit on ordinary activities

Taxation

	2002	2001
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 14.58% (2001 - 17%)	<u>2,976</u>	<u>3,858</u>
Total current tax	<u>2,976</u>	<u>3,858</u>

Good News (Dunfermline) Ltd

Notes to the Financial Statements

31 August 2002

3. Tax on profit on ordinary activities *(continued)*

Increase in deferred tax provision			
Capital allowances	<u>1,166</u>	<u>2,264</u>	
	<u>1,166</u>	<u>2,264</u>	
Total deferred tax (note 8)	<u>1,166</u>	<u>2,264</u>	
Tax on profit on ordinary activities	<u>4,142</u>		<u>6,122</u>

4. Tangible fixed assets

	Investment Property £	Fittings & Equipment £	Total £
Cost			
At 1 September 2001 and 31 August 2002	<u>131,175</u>	<u>59,070</u>	<u>190,245</u>
Depreciation			
At 1 September 2001	2,624	31,285	33,909
Charge for the year	<u>2,623</u>	<u>4,168</u>	<u>6,791</u>
At 31 August 2002	<u>5,247</u>	<u>35,453</u>	<u>40,700</u>
Net book value			
At 31 August 2002	<u>125,928</u>	<u>23,617</u>	<u>149,545</u>
At 31 August 2001	<u>128,551</u>	<u>27,785</u>	<u>156,336</u>

5. Debtors

	2002	2001
	£	£
Other debtors	<u>25,193</u>	<u>11,788</u>

6. Investments

	2002	2001
	£	£
Other investments	<u>3,605</u>	<u>3,605</u>

Good News (Dunfermline) Ltd

Notes to the Financial Statements

31 August 2002

7. Creditors: Amounts falling due within one year

	2002 £	2001 £
Other creditors including taxation:		
Corporation tax	6,836	3,859
Accruals and deferred income	93,719	97,987
	<u>100,555</u>	<u>101,846</u>

Decrease in deferred income of £4,268 represents a write off in the year of lease premium received at inception of the lease on an investment property owned by the company.

8. Deferred taxation

	2002 £	2001 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	2,264	--
Profit and Loss Account movement arising during the year	1,166	2,264
Provision carried forward	<u>3,430</u>	<u>2,264</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002 £	2001 £
Excess of taxation allowances over depreciation on fixed assets	3,430	2,264
	<u>3,430</u>	<u>2,264</u>

9. Transactions with the directors

The following Director had an interest free loan during the year.

	2002	2001
Mohammed Ramzan	25,193	11,788

10. Related party transactions

The company has given an unlimited guarantee in respect of amounts due to the bank by a related business, Good News Dunfermline.

Good News (Dunfermline) Ltd

Notes to the Financial Statements

31 August 2002

11. Share capital

Authorised share capital:

	2002	2001
	£	£
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

	2002	2001
	£	£
Ordinary share capital	<u>23,000</u>	<u>23,000</u>