

Crowe

Company Registration No. 3877211 (England and Wales)

LE ROI ESTATES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2004



LE ROI ESTATES LIMITED

COMPANY INFORMATION

Directors	R Jenner C J Dunncliffe T Hirschfeld P J Marmot
Secretary	C J Dunncliffe
Company number	3877211
Registered office	30 City Road London EC1Y 2AB
Auditors	Arram Berlyn Gardner 30 City Road London EC1Y 2AB
Business address	Warren House, Warren Road Kingston Upon Thames Surrey KT2 7HY
Bankers	Royal Bank of Scotland West Commercial Centre, 28 Cavendish Square London W1M 0DB Royal Bank of Scotland Smith House, PO Box 50, Elmwood Avenue Feltham Middlesex TW13 7QD
Solicitors	The Oberman Partnership 11-12 Grenville Street, Bloomsbury London WC1N 1L

LE ROI ESTATES LIMITED

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LE ROI ESTATES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2004

The directors present their report and financial statements for the year ended 30 April 2004.

Principal activities

The company's principal activity continues to be that of holding investment property.

Directors

The following directors have held office since 1 May 2003:

R Jenner
C J Dunncliffe
T Hirschfeld
P J Marmot

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary Shares of £ 1 each	
	30 April 2004	1 May 2003
R Jenner	-	-
C J Dunncliffe	-	-
T Hirschfeld	-	-
P J Marmot	-	-

The directors interests in that of the parent company, Rowsan Limited, are shown in those publicly available accounts.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Arram Berlyn Gardner be reappointed as auditors of the company will be put to the Annual General Meeting.

LE ROI ESTATES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2004

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 of the profit or loss of the company 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 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.

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


.....
C J Dunicliffe
Director

11 October 2004

LE ROI ESTATES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LE ROI ESTATES LIMITED

We have audited the financial statements of Le Roi Estates Limited on pages 4 to 12 for the year ended 30 April 2004. 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 the directors and auditors

As described in the statement of directors' responsibilities on page 2 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 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 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 the company's affairs as at 30 April 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Arram Berlyn Gardner

Chartered Accountants
Registered Auditor

24 October 2004

30 City Road
London
EC1Y 2AB

LE ROI ESTATES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2004

	Notes	2004 £	2003 £
Turnover		284,000	324,000
Administrative expenses		(21,719)	(2,480)
Operating profit	2	262,281	321,520
Interest payable and similar charges		(408,109)	(301,631)
(Loss)/profit on ordinary activities before taxation		(145,828)	19,889
Tax on (loss)/profit on ordinary activities	3	(2,510)	40,291
(Loss)/profit on ordinary activities after taxation	10	(148,338)	60,180

LE ROI ESTATES LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 APRIL 2004

	2004 £	2003 £
(Loss)/profit for the financial year	(148,338)	60,180
Unrealised surplus on revaluation of properties	4,904,689	-
Total recognised gains and losses relating to the year	<u>4,756,351</u>	<u>60,180</u>

LE ROI ESTATES LIMITED

BALANCE SHEET AS AT 30 APRIL 2004

	Notes	2004		2003	
		£	£	£	£
Fixed assets					
Tangible assets	4		8,501,214		3,596,537
Current assets					
Debtors	5	2,127,582		1,007,227	
Cash at bank and in hand		508		311	
		<u>2,128,090</u>		<u>1,007,538</u>	
Creditors: amounts falling due within one year	6	<u>(48,913)</u>		<u>(253,914)</u>	
Net current assets			<u>2,079,177</u>		<u>753,624</u>
Total assets less current liabilities			10,580,391		4,350,161
Creditors: amounts falling due after more than one year	7		(5,400,000)		(3,928,631)
Provisions for liabilities and charges	8		<u>(82,411)</u>		<u>(79,901)</u>
			<u>5,097,980</u>		<u>341,629</u>
Capital and reserves					
Called up share capital	9		1,000		1,000
Revaluation reserve	10		4,904,689		-
Profit and loss account	10		192,291		340,629
			<u>5,097,980</u>		<u>341,629</u>
Shareholders' funds			<u>5,097,980</u>		<u>341,629</u>

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

The financial statements were approved by the Board on 11 October 2004


R Jenner
Director


T Hirschfeld
Director

LE ROI ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings freehold	Not depreciated
Fixtures, fittings & equipment	10% Straight Line

FRS 15 permits the exclusion of properties on which the annual charge and accumulated depreciation charge are immaterial. Depreciation is immaterial as a result of very long estimated useful life and high residual value. This applies to the property in the company and accordingly the freehold buildings have not been depreciated. These values are retained subject to the requirement to test these assets for impairment in accordance with FRS 11.

1.4 Deferred taxation

The accounting policy in respect of deferred tax reflects the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes except that:

- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.
- No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

The deferred tax balance has not been discounted.

2 Operating profit	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	12	12
Auditors' remuneration	2,250	2,100

LE ROI ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2004

3	Taxation	2004	2003
	<i>Deferred tax</i>		
	Deferred tax charge/credit current year	2,510	(40,291)
		<u>2,510</u>	<u>(40,291)</u>

The company has estimated losses of £ 234,000 (2003: £ 160,000) available for carry forward against future trading profits.

LE ROI ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2004

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost or valuation			
At 1 May 2003	3,595,311	1,262	3,596,573
Revaluation	4,904,689	-	4,904,689
	<u>8,500,000</u>	<u>1,262</u>	<u>8,501,262</u>
At 30 April 2004	8,500,000	1,262	8,501,262
Depreciation			
At 1 May 2003	-	36	36
Charge for the year	-	12	12
	<u>-</u>	<u>48</u>	<u>48</u>
At 30 April 2004	-	48	48
Net book value			
At 30 April 2004	<u>8,500,000</u>	<u>1,214</u>	<u>8,501,214</u>
At 30 April 2003	<u>3,595,311</u>	<u>1,226</u>	<u>3,596,537</u>

The freehold and leasehold land and buildings were valued on an open market basis by Christie & Co a firm of independent Chartered Surveyors on 31 July 2003.

The property has been valued at market value in its existing use and present condition.

If these properties were sold for their revalued amounts it would be necessary to replace them with similar property, and rollover relief against tax on the gain would be available. Accordingly, no timing differences arise and no provision has been made for deferred tax in respect of the revaluation.

Comparable historical cost for the land and buildings included at valuation:

	£
Cost	
At 1 May 2003 & at 30 April 2004	3,595,311
	<u>3,595,311</u>
Depreciation based on cost	
At 1 May 2003	-
Charge for the year	-
	<u>-</u>
At 30 April 2004	-
	<u>-</u>
Net book value	
At 30 April 2004	<u>3,595,311</u>
At 30 April 2003	<u>-</u>

LE ROI ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2004

5 Debtors	2004 £	2003 £
Amounts owed by group undertakings	2,127,582	1,007,227

Debtors include an amount of £2,127,582 (2003- £1,007,227) which is due after more than one year.

6 Creditors: amounts falling due within one year	2004 £	2003 £
Bank loans and overdrafts	-	231,096
Taxation and social security	12,688	14,175
Other creditors	36,225	8,643
	<u>48,913</u>	<u>253,914</u>

7 Creditors: amounts falling due after more than one year	2004 £	2003 £
Bank loans	5,400,000	3,928,631
Analysis of loans		
Not wholly repayable within five years by instalments	5,400,000	4,159,727
Included in current liabilities	-	(231,096)
	<u>5,400,000</u>	<u>3,928,631</u>
Instalments not due within five years	<u>3,900,000</u>	<u>-</u>

The bank loan is secured over the freehold property at Warren House.

LE ROI ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2004

8 Provisions for liabilities and charges

	Deferred tax liability
	£
Balance at 1 May 2003	79,901
Profit and loss account	2,510
	<u>82,411</u>
Balance at 30 April 2004	<u>82,411</u>

The deferred tax liability is made up as follows:

	2004	2003
	£	£
Accelerated capital allowances	192,744	110,316
Tax losses available	(110,333)	(30,415)
	<u>82,411</u>	<u>79,901</u>

9 Share capital

	2004	2003
	£	£
Authorised		
1,000 Ordinary Shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1,000 Ordinary Shares of £1 each	<u>1,000</u>	<u>1,000</u>

10 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 May 2003	-	340,629
Retained loss for the year	-	(148,338)
Revaluation during the year	4,904,689	-
	<u>4,904,689</u>	<u>192,291</u>
Balance at 30 April 2004	<u>4,904,689</u>	<u>192,291</u>

11 Control

The ultimate parent company is Rowsan Limited, a company registered in England and Wales.

LE ROI ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2004

12 Related party transactions

During the year, the company charged rent and services to the value of £284,000 (2003: £324,000) to Warren House Conference Centre Limited.

Loan repayments of £76,045 (2003: £231,096) and interest totalling £196,196 (2003: £301,822) was paid by Warren House Conference Centre Limited on behalf of the Company.

At the year end, an amount of £2,127,582 (2003: £1,007,227) was due from Warren House Conference Centre Limited.

An unlimited inter company guarantee agreement in respect of all group company liabilities was executed on 18 August 2003.

The above companies are considered to be related parties as they are both subsidiaries of Rowsan Limited.