

LONDON AND SURREY PROPERTY HOLDINGS LIMITED

Company No: 1321490

REGISTRAR'S COPY  
OF ACCOUNTS

FINANCIAL STATEMENTS

- for the year ended -

31ST MARCH 2001



**CAVENDISH & CO**  
Chartered Certified Accountants  
18 Queen Anne Street  
London W1M 0HB

Reference /4272/D35

**LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

**DIRECTORS**

Mrs. A.M.Smith  
C.L. Smith

**SECRETARY**

S.A. Khan

**BUSINESS ADDRESS**

Parkway House  
Sheen Lane  
East Sheen  
London SW14 8LS

**REGISTERED OFFICE**

Parkway House  
Sheen Lane  
East Sheen  
London SW14 8LS

**AUDITORS**

Cavendish & Co  
Chartered Certified Accountants  
18 Queen Anne Street  
London W1M 0HB

**PRINCIPAL BANKERS**

Bank of Scotland  
St. James's Gate  
14-16 Cockspur Street  
London SW1Y 5BL

Bristol & West Plc  
P.O.Box 27  
Broad Quay  
Bristol BS99 7AX

Nationwide Building Society  
33 High Street  
Bagshot  
Surrey GU19 5AF

**LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

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**LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

**REPORT OF THE DIRECTORS**

The directors present their report and audited financial statements for the year ended 31 March 2001.

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company in the year under review was property development and investment.

**DIRECTORS AND THEIR INTERESTS**

The directors at the balance sheet date and their interests in the company at that date and at the beginning of the year (or on appointment if later), were as follows:

	<u>Class of shares</u>	<u>Number of shares</u>	
		<u>2001</u>	<u>2000</u>
Mrs. A.M.Smith	Ordinary shares	377	377
C.L. Smith	Ordinary shares	2	2

**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.

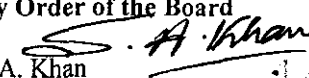
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS**

The auditors, Cavendish & Co, are willing to be reappointed in accordance with section 385 of the Companies Act 1985.

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

Date: 25 September 2001

By Order of the Board  
  
X S.A. Khan  
Secretary

**LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

**AUDITORS' REPORT TO THE SHAREHOLDERS OF  
LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

We have audited the financial statements on pages 3 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

**Respective responsibilities of the directors and auditors**

As described in the Directors' Report the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

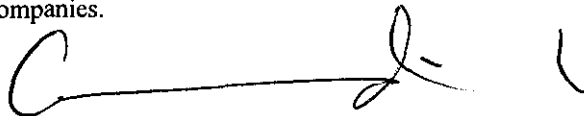
**Basis of opinion**

We conducted our audit in accordance with 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 as at 31 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



**CAVENDISH & CO**  
**Chartered Certified Accountants**  
**Registered Auditors**

**18 Queen Anne Street**  
**London W1M 0HB**

**Date: 27 September 2001**

**LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2001**

	Notes	2001 £	2000 £
<b>TURNOVER</b>		1,451,801	1,429,183
Operating costs		(422,388)	(320,009)
Administrative expenses		(168,755)	(169,109)
		<hr/>	<hr/>
		860,658	940,065
Other operating income		2,500	83,477
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>	<b>2</b>	863,158	1,023,542
Income from investments		20	20
Interest receivable		4,900	15,368
Interest payable		(337,105)	(279,979)
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		530,973	758,951
Tax on profit on ordinary activities	<b>5</b>	(125,538)	(197,300)
		<hr/>	<hr/>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>13</b>	405,435	561,651
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The notes on pages 5 to 9 form part of these financial statements.

**LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

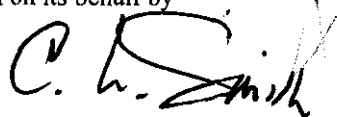
**BALANCE SHEET AT 31ST MARCH 2001**

	Notes	2001		2000	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	6		10,161,433		10,188,433
<b>CURRENT ASSETS</b>					
Stocks	7	241,207		241,207	
Debtors	8	26,151		127,986	
Cash at bank and in hand		100		100	
		<u>267,458</u>		<u>369,293</u>	
<b>CREDITORS: Amounts falling due within one year</b>	9	<u>(1,524,974)</u>		<u>(1,844,326)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(1,257,516)</u>		<u>(1,475,033)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			8,903,917		8,713,400
<b>CREDITORS: Amounts falling due after more than one year</b>	10		<u>(3,716,141)</u>		<u>(3,931,059)</u>
			<u>5,187,776</u>		<u>4,782,341</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	11		379		379
Share premium account	12		1,637,414		1,637,414
Profit and loss account	13		3,549,983		3,144,548
<b>SHAREHOLDERS FUNDS</b>			<u>5,187,776</u>		<u>4,782,341</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the board on 25 September 2001 and signed on its behalf by

C L Smith



Director

The notes on pages 5 to 9 form part of these financial statements.

**LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2001**

**1. ACCOUNTING POLICIES**

**1.1 BASIS OF ACCOUNTING**

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

**1.2 TURNOVER**

Turnover represents rents receivable .

**1.3 DEPRECIATION**

Depreciation is provided using the rates to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Plant and machinery                      10% Straight line

**1.4 INVESTMENT PROPERTIES**

Investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to expiry. The directors consider that this accounting policy results in the financial statements giving a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

**1.5 STOCKS**

Stocks are valued at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

**1.6 DEFERRED TAXATION**

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

**1.7 PENSIONS**

Pension contributions are charged to the profit and loss account as incurred. These contributions are invested separately from the company's assets.

**2. OPERATING PROFIT**

	2001	2000
	£	£
The operating profit is stated after charging:		
Depreciation	25,000	25,000
Auditors' remuneration	7,238	6,000
	<u>                    </u>	<u>                    </u>



**LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2001**

**3. DIRECTORS**

	2001 £	2000 £
Directors' remuneration	54,000	54,000
Directors' pensions	13,944	13,944
	<u>67,944</u>	<u>67,944</u>

The number of directors for whom payments have been made into the following pension schemes:

Money purchase	<u>2</u>	<u>2</u>
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**4. PENSION COSTS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable by the company amounted to £13,944 (2000 : £13,944). All contributions were paid during the year.

**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2001 £	2000 £
The taxation charge comprises:		
U.K. corporation tax	123,148	197,300
	<u>123,148</u>	<u>197,300</u>
Adjustment in respect of prior years	2,390	-
	<u>125,538</u>	<u>197,300</u>

**LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2001**

**6. TANGIBLE ASSETS**

	<b>Investment properties £</b>	<b>Plant and machinery etc. £</b>	<b>Total £</b>
<u>Cost</u>			
At 1 April 2000	10,063,433	528,491	10,591,924
Disposals	(2,000)	-	(2,000)
At 31 March 2001	<u>10,061,433</u>	<u>528,491</u>	<u>10,589,924</u>
<u>Depreciation</u>			
At 1 April 2000	-	403,491	403,491
Charge for year	-	25,000	25,000
At 31 March 2001	<u>-</u>	<u>428,491</u>	<u>428,491</u>
<u>Net book value at 31 March 2001</u>	<u>10,061,433</u>	<u>100,000</u>	<u>10,161,433</u>
<u>Net book value at 31 March 2000</u>	<u>10,063,433</u>	<u>125,000</u>	<u>10,188,433</u>

In the opinion of the directors, the value of the investment properties at the balance sheet date is not materially different to that stated above.

**7. STOCKS**

	<b>2001 £</b>	<b>2000 £</b>
Properties for resale	<u>241,207</u>	<u>241,207</u>

**8. DEBTORS**

	<b>2001 £</b>	<b>2000 £</b>
Trade debtors	9,444	111,279
Other debtors	16,707	16,707
	<u>26,151</u>	<u>127,986</u>

**LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2001**

**9. CREDITORS: AMOUNTS FALLING DUE  
WITHIN ONE YEAR**

	2001 £	2000 £
Bank loans and overdraft	874,813	405,024
Trade creditors	143,817	-
Corporation tax payable	122,864	197,300
Other taxes and social security costs	-	1,673
Directors' current account	127,032	1,009,388
Accruals	108,560	118,053
Other creditors	147,888	112,888
	<u>1,524,974</u>	<u>1,844,326</u>
Secured creditors	<u>874,813</u>	<u>405,024</u>

**10. CREDITORS: AMOUNTS FALLING DUE  
AFTER MORE THAN ONE YEAR**

	2001 £	2000 £
Bank loans	3,716,141	3,931,059
	<u>3,716,141</u>	<u>3,931,059</u>
Amounts due after 5 years:		
Repayable by instalments	2,136,142	1,766,142
Secured creditors	<u>3,716,141</u>	<u>3,931,059</u>

**11. SHARE CAPITAL**

	2001 £	2000 £
<u>Authorised</u>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<u>Allotted, called up and fully paid</u>		
379 Ordinary shares of £1 each	<u>379</u>	<u>379</u>

**12. SHARE PREMIUM ACCOUNT**

	2001 £	2000 £
Balance brought forward at 1 April 2000 and carried forward at 31 March 2001	<u>1,637,414</u>	<u>1,637,414</u>

**LONDON AND SURREY PROPERTY HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2001**

**13. PROFIT AND LOSS ACCOUNT**

	2001 £	2000 £
Retained profits at 1 April 2000	3,144,548	2,582,897
Profit for the financial year	405,435	561,651
	<hr/>	<hr/>
Retained profits at 31 March 2001	<u>3,549,983</u>	<u>3,144,548</u>

**14. CONTROL**

The controlling party is the director, Mrs. A.M. Smith by virtue of her shareholding.

**15. RELATED PARTY DISCLOSURES**

The company paid rent of £30,000 (2000: £30,000) and management commission of £34,097 (2000: £33,586) to Lawrence Smith & Co, a practice owned by C.L. Smith. Creditors include £147,888 (2000 : £112,888) due to Deemark Limited, a company under the control of Mrs. A.M. Smith and £143,817 owed to Lawrence Smith & Co. (2000: debtor £111,279).