

Registration number 806646

**Love Lane Investments Limited**  
**Directors' report and financial statements**  
**for the year ended 31 December 2003**



## **Love Lane Investments Limited**

### **Company information**

Directors	Jamie Borwick J A Craymer J Pawsey
Secretary	J A Craymer
Company number	806646
Registered office	1 Love Lane London EC2V 7HJ
Auditors	Janice Cope 104 Henniker Gate Chelmsford Essex CM2 6SB
Bankers	The Royal Bank of Scotland PLC PO Box 412 62/63 Threadneedle Street London EC2R 8LA

## **Love Lane Investments Limited**

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**Love Lane Investments Limited**  
**Directors' report**  
**for the year ended 31 December 2003**

The directors present their report and the financial statements for the year ended 31 December 2003.

**Principal activity**

The principal activity of the company are property and investment holding.

**Directors and their interests**

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31/12/03	01/01/03
Jamie Borwick	-	-
J A Craymer	-	-
J Pawsey	-	-

**Charitable and political contributions**

During the year the company contributed £10,000 to the Conservative party.

**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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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**

Janice Cope were appointed auditors to the company and in accordance with Section 385 of the Companies Act 1985, a resolution proposing their reappointment will be put to the Annual General Meeting.

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

This report was approved by the Board on 23 August 2004 and signed on its behalf by

  
J A Craymer  
Secretary

## **Love Lane Investments Limited**

### **Independent auditors' report to the shareholders of Love Lane Investments Limited**

We have audited the financial statements of Love Lane Investments Limited for the year ended 31 December 2003 which comprise 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 shareholders, 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 shareholders 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 shareholders 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 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 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.

**Love Lane Investments Limited**

**Independent auditors' report to the shareholders of Love Lane Investments Limited continued**

Financial Reporting Standard for Smaller Entities (effective June 2002) requires that investment properties are included in the balance sheet at their open market value. However the company's investment property is included in the balance sheet at £2,960,529 being the cost less accumulated depreciation, which the directors consider to be the fair estimate of its value. In the absence of an open market valuation we are unable to determine whether there is any material difference between the book value and such a valuation.

**Opinion: disclaimer of view given by financial statements**

Because of the possible effect of the limitation of evidence available to us, we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of the company's affairs at 31st December 2003 and of its loss for the year then ended. In all other respects, in our opinion the financial statements have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'J. Cope'.

**Janice Cope**  
**Chartered Certified Accountants and**  
**Registered Auditors**  
**23 August 2004**

**104 Henniker Gate**  
**Chelmsford**  
**Essex**

**CM2 6SB**

**Love Lane Investments Limited**

**Profit and loss account  
for the year ended 31 December 2003**

		<b>2003</b>	<b>2002</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	205,360	394,332
Administrative expenses		<u>(734,060)</u>	<u>(466,491)</u>
Investment income	<b>4</b>	298,796	11,067
Other interest receivable and similar income		4,718	14,166
Interest payable and similar charges		<u>-</u>	<u>(302)</u>
<b>Loss on ordinary activities before taxation</b>		(225,186)	(47,228)
Tax on loss on ordinary activities		<u>-</u>	<u>-</u>
<b>Loss on ordinary activities after taxation</b>		(225,186)	(47,228)
<b>Loss for the year</b>		(225,186)	(47,228)
Accumulated loss brought forward		(639,826)	(592,596)
<b>Accumulated loss carried forward</b>		<u>(865,012)</u>	<u>(639,824)</u>
<b>Statement of total recognised gains and losses</b>			
<b>Loss on ordinary activities after taxation</b>		(225,186)	(47,228)
Unrealised movement on revaluation of Investments		<u>1,897,908</u>	<u>(22,133)</u>
Total recognised gains/losses relating to the year		<u>1,672,722</u>	<u>(69,361)</u>

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

# Love Lane Investments Limited

## Balance sheet as at 31 December 2003

		2003		2002	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		2,966,085		3,100,633
Investments	7		2,766,631		868,723
			<u>5,732,716</u>		<u>3,969,356</u>
<b>Current assets</b>					
Debtors	8	36,454		57,928	
Cash at bank and in hand		150,000		525,537	
		<u>186,454</u>		<u>583,465</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(205,245)</u>		<u>(173,933)</u>	
<b>Net current (liabilities)/assets</b>			<u>(18,791)</u>		<u>409,532</u>
<b>Total assets less current liabilities</b>			5,713,925		4,378,888
<b>Creditors: amounts falling due after more than one year</b>	10		<u>(3,997,817)</u>		<u>(4,335,500)</u>
<b>Net assets</b>			<u>1,716,108</u>		<u>43,388</u>
<b>Capital and reserves</b>					
Called up share capital	11		6,250		6,250
Share premium account	12		16,244		16,244
Revaluation reserve	12		2,558,626		660,718
Profit and loss account	12		<u>(865,012)</u>		<u>(639,824)</u>
<b>Shareholders' funds</b>			<u>1,716,108</u>		<u>43,388</u>

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

The financial statements were approved by the Board on 23 August 2004 and signed on its behalf by

**Jamie Borwick**  
Director



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



# Love Lane Investments Limited

## Notes to the financial statements for the year ended 31 December 2003

### 1. Accounting policies

#### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), except that investment property has not been included at its open market value as required by the standard.

Advantage has been taken of section 248(1) Companies act not to prepare Group Accounts.

#### 1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

#### 1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Fixtures, fittings and equipment	-	25% straight line

#### 1.4. Investments

Listed investments held as fixed assets are stated at market value, based upon the price quoted in the London Stock exchange as at 31st December. Unlisted investments held as fixed assets are stated at cost except where, in the opinion of the Directors, there has been a permanent diminution in value.

The Company's investment property comprises of a leasehold interest expiring in the year 2025. in the opinion of the Director's this is a short leasehold and accordingly depreciation is provided to write off the cost on a straight line basis over the unexpired term. The investment property is included in the Financial statements at its cost less accumulated depreciation since, in the opinion of the directors, open market value is not a fair estimate of the worth of the property.

### 2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

### 3. Operating loss

	2003	2002
	£	£
Operating loss is stated after charging:		
Depreciation and other amounts written off tangible assets	139,807	138,465
Auditors' remuneration	1,600	1,550
	<u>          </u>	<u>          </u>
and after crediting:		
Profit on disposal of tangible fixed assets	-	110
	<u>          </u>	<u>          </u>

**Love Lane Investments Limited**

**Notes to the financial statements  
for the year ended 31 December 2003**

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4.	Income from investments	2003 £	2002 £
	Income from investments	298,796	11,067
5.	Directors' emoluments	2003 £	2002 £
	Remuneration and other benefits	171,217	73,833
6.	Tangible fixed assets	Short leasehold property £	Fixtures, fittings and equipment £  Total £
	Cost/revaluation		
	At 1 January 2003	4,898,425	8,799
	Additions	-	5,259
	At 31 December 2003	4,898,425	14,058
	Depreciation		
	At 1 January 2003	1,800,196	6,395
	Charge for the year	137,700	2,107
	At 31 December 2003	1,937,896	8,502
	Net book values		
	At 31 December 2003	2,960,529	5,556
	At 31 December 2002	3,098,229	2,404

**Love Lane Investments Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2003**

..... continued

7. Fixed asset investments	Listed investments £	Other unlisted investments £	Total £
<b>Cost</b>			
At 1 January 2003	868,721	2	868,723
Revaluations	1,897,908	-	1,897,908
At 31 December 2003	<u>2,766,629</u>	<u>2</u>	<u>2,766,631</u>
<b>Net book values</b>			
At 31 December 2003	<u>2,766,629</u>	<u>2</u>	<u>2,766,631</u>
At 31 December 2002	<u>868,721</u>	<u>2</u>	<u>868,723</u>

7.1. Fixed asset investments	2003 £	2002 £
Market valuation of listed investments	<u>2,766,629</u>	<u>868,721</u>

The historic cost of the listed investments is £208,003 (2002 £208,003).

Unlisted Investments of £2 represents 100% of the issued shares in Runnymede Lane Ltd and Croucher & Croucher (Cheam) Ltd at a cost of £1 each. Both companies are wholly owned subsidiaries of Love Lane Investments Limited and both companies are registered in England and Wales.

Croucher and Croucher (Cheam) Ltd remained dormant throughout the year and as at 31st December 2003 had an issued share capital of £1 and no other reserves.

The business of Runnymede Lane Ltd is that of providing management and advisory services. It made a profit after tax of £3,487 (2002 £3,823) and as at 31 December 2003 it had an issued share capital of £1 (2002 £1) and reserves of £21,008 (2002 £17,521).

8. Debtors	2003 £	2002 £
Amounts owed by group undertakings	1,562	34,562
Other debtors	-	2,938
Prepayments and accrued income	34,892	20,428
	<u>36,454</u>	<u>57,928</u>

**Love Lane Investments Limited**

**Notes to the financial statements  
for the year ended 31 December 2003**

..... continued

9.	Creditors: amounts falling due within one year	2003 £	2002 £		
	Bank overdraft	5,901	-		
	Other taxes and social security costs	11,213	5,414		
	Other creditors	-	5,245		
	Accruals and deferred income	188,131	163,274		
		<u>205,245</u>	<u>173,933</u>		
10.	Creditors: amounts falling due after more than one year	2003 £	2002 £		
	Amounts owed to group undertakings	<u>3,997,817</u>	<u>4,335,500</u>		
11.	Share capital	2003 £	2002 £		
	Authorised				
	6,250 Ordinary shares of 1 each	<u>6,250</u>	<u>6,250</u>		
	Allotted, called up and fully paid				
	6,250 Ordinary shares of 1 each	<u>6,250</u>	<u>6,250</u>		
12.	Reserves	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
	At 1 January 2003	16,244	660,718	(639,826)	37,136
	Revaluation of listed investments		1,897,908		1,897,908
	Loss for the year			(225,186)	(225,186)
	At 31 December 2003	<u>16,244</u>	<u>2,558,626</u>	<u>(865,012)</u>	<u>1,709,858</u>

**Love Lane Investments Limited**

**Notes to the financial statements  
for the year ended 31 December 2003**

..... continued

**13. Transactions with directors**

The following directors had interest free loans during the year. The movements on these loans are as follows:

	Amount owing		Maximum in year £
	2003 £	2002 £	
Jamie Borwick	-	2,938	2,938

**14. Ultimate parent undertaking**

The ultimate parent undertaking is regarded by the directors as being Rutland Investments Limited, incorporated in the Bahamas.

**15. Post balance sheet events**

During March 2004 the Company disposed of its entire interest in Listed Investments, the net proceeds of this disposal were £2,060,585. There is no tax due on this transaction. The Listed Investments market value at the 31 December 2003 was £2,766,629.