

REGISTRAR'S COPY

COMPANY

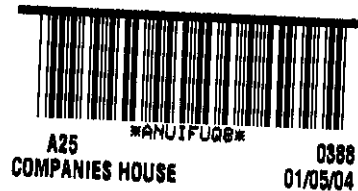
NUMBER: 02606388

Romans Professional Services Limited

Report and Financial Statements

Year Ended

31 December 2003



JBDO

BDO Stoy Hayward
Chartered Accountants

Romans Professional Services Limited

Annual report and financial statements for the year ended 31 December 2003

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Directors

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Directors

D R Norton
P A Coles
P Kavanagh
M D Davis – appointed 1 January 2004

Secretary and registered office

D R Norton, 4 King Street Lane, Winnersh, Berkshire RG41 5AS

Company number

02606388

Bankers

National Westminster Bank PLC, Abbey Gardens, 4 Abbey Street, Reading, Berkshire RG1 3BA

Solicitors

Clifton Ingram, 22-24 Broad Street, Wokingham, Berkshire RG40 1BA

Auditors

BDO Stoy Hayward LLP, Kings Wharf, 20-30 Kings Road, Reading, Berkshire RG1 3EX.

Romans Professional Services Limited

Report of the directors for the year ended 31 December 2003

The directors present their report together with the audited financial statements for the year ended 31 December 2003.

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year. The directors do not recommend the payment of a dividend (2002 - £Nil).

Principal activities, trading review and future developments

The principal activity of the company is that of Chartered Surveyors.

Both the level of business and the year end financial position were satisfactory.

The directors expect that the present level of activity will continue for the foreseeable future.

Directors

The directors of the company during the year and their interests in its share capital were as follows:

	Ordinary shares of £1 each	
	2003	2002
	Number	Number
P Kavanagh	-	46
D R Norton	-	57
P A Coles	-	11

On 31 December 2003, the company's entire share capital was acquired by Imperial Estate Agents Limited, which is now the company's ultimate parent company. All of the above directors are also directors of Imperial Estate Agents Limited and their interests in its share capital are disclosed in its financial statements.

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;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- 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.

Romans Professional Services Limited

Report of the directors for the year ended 31 December 2003 (Continued)

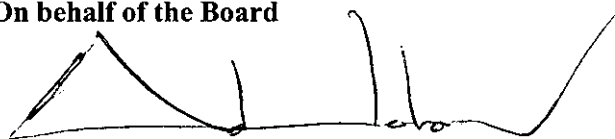
Charitable donations

During the year, the company made charitable donations of £500.

Auditors

Subsequent to the year end, the directors appointed BDO Stoy Hayward LLP as auditors to the company. A resolution to reappoint BDO Stoy Hayward LLP as auditors will be proposed at the next annual general meeting.

On behalf of the Board

A handwritten signature in black ink, appearing to be 'D R Norton', written over a horizontal line.

D R Norton
Director

Date 29th April 2004

Romans Professional Services Limited

Report of the independent auditors

To the shareholders of Romans Professional Services Limited

We have audited the financial statements of Romans Professional Services Limited for the year ended 31 December 2003 on pages 5 to 13 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

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.

Romans Professional Services Limited

Report of the independent auditors (*Continued*)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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BDO STOY HAYWARD LLP

*Chartered Accountants
and Registered Auditors*
Reading

Date 29 April 2004

Romans Professional Services Limited**Profit and loss account for the year ended 31 December 2003**

	Note	2003 £	2002 £
Turnover	2	2,894,128	2,976,424
Staff costs	3	(1,740,894)	(1,839,994)
Depreciation and other amounts written off fixed assets		(69,948)	(67,152)
Other external charges		(820,094)	(884,826)
		<hr/>	<hr/>
Operating profit	4	263,192	184,452
Interest receivable and similar income	5	5,701	2,374
		<hr/>	<hr/>
Profit on ordinary activities before taxation		268,893	186,826
Taxation on profit from ordinary activities	6	(127,756)	(55,388)
		<hr/>	<hr/>
Retained profit for the year		141,137	131,438
Retained profit brought forward		998,934	867,496
		<hr/>	<hr/>
Retained profit carried forward		1,140,071	998,934
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

The notes on pages 7 to 13 form part of these financial statements.

Romans Professional Services Limited

Balance sheet at 31 December 2003

	Note	2003 £	2002 £
Fixed assets			
Tangible assets	7	299,827	251,622
Investments	8	585,057	581,015
		<u>884,884</u>	<u>832,637</u>
Current assets			
Debtors	9	629,126	987,557
Cash at bank and in hand		353,322	63,954
		<u>982,448</u>	<u>1,051,511</u>
Creditors: amounts falling due within one year	10	(726,150)	(885,100)
Net current assets		<u>256,298</u>	<u>166,411</u>
Total assets less current liabilities		1,141,182	999,048
Provisions for liabilities and charges	11	(997)	-
Net assets		<u>1,140,185</u>	<u>999,048</u>
Capital and reserves			
Called up share capital	12	114	114
Profit and loss account		1,140,071	998,934
Equity shareholder's funds	13	<u>1,140,185</u>	<u>999,048</u>

The financial statements were approved by the Board on 29th April 2004



D R Norton
Director

The notes on pages 7 to 13 form part of these financial statements.

Romans Professional Services Limited

Notes forming part of the financial statements for the year ended 31 December 2003

1 Accounting policies

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Consolidation

The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Imperial Estate Agents Limited and the company is included in consolidated financial statements.

Tangible fixed assets

Depreciation is provided on the tangible fixed assets over their estimated useful lives. The method and rates of depreciation are as follows:

Long leasehold property	- Over the term of the lease
Leasehold improvements	- Over the term of the lease
Motor vehicles	- 25% on written down value
Fixtures, fittings and equipment	- 25% on cost

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets and liabilities are not discounted.

Pension costs

Pension costs represent payments made during the year, for employees, into defined contribution schemes.

Romans Professional Services Limited

Notes forming part of the financial statements for the year ended 31 December 2003 (Continued)

2 Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and Value Added Tax. The turnover and pre-tax profit, all of which arises in the United Kingdom, is attributable to one activity, Chartered Surveying.

3 Directors and employees

	2003 £	2002 £
Directors' remuneration consists of:		
Emoluments	241,185	118,500
Pension contributions	1,950	1,800
	<u>243,135</u>	<u>120,300</u>
Highest paid director:		
Emoluments	157,138	93,500
Pension contributions	1,950	1,800
	<u>159,088</u>	<u>95,300</u>

There was one (2002 - one) director in the company's defined contribution pension scheme during the year.

	2003 Number	2002 Number
Average number of persons employed:		
Surveyors and valuers	27	32
Administration and management	19	22
	<u>46</u>	<u>54</u>

	2003 £	2002 £
Staff costs during the year (including directors):		
Wages and salaries	1,557,173	1,666,624
Social security costs	167,708	156,879
Pension costs	16,013	16,491
	<u>1,740,894</u>	<u>1,839,994</u>

Romans Professional Services Limited

Notes forming part of the financial statements for the year ended 31 December 2003 (Continued)

4 Operating profit

	2003 £	2002 £
This has been arrived at after charging:		
Depreciation	69,948	67,152
Loss on sale of fixed assets	3,268	51,861
Auditors' remuneration	6,000	4,028

5 Interest receivable and similar income

	2003 £	2002 £
Bank deposit interest	5,701	2,374

6 Taxation on profit from ordinary activities

	2003 £	2002 £
<i>Current tax</i>		
UK corporation tax charge at 30% (2002 – 30%)	91,364	84,069
Adjustment in respect of previous years	24,293	(17,579)
Total current tax	115,657	66,490
<i>Deferred taxation</i>		
Timing differences	12,099	(9,714)
Adjustments in respect of prior years	-	(1,388)
Taxation on profit from ordinary activities	127,756	55,388

Reconciliation of current tax rate to standard rate of tax

	2003 %	2002 %
Standard rate of tax	30	30
Effects of:		
Expenses not deductible for tax purposes	3	11
Capital allowances in excess of depreciation	2	5
Marginal relief	(1)	(1)
Adjustment to tax charge in respect of previous years	9	(9)
Current tax rate	43	36

Romans Professional Services Limited

Notes forming part of the financial statements for the year ended 31 December 2003 (Continued)

7 Tangible assets

	Long leasehold property £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
<i>Cost</i>				
At 1 January 2003	87,679	104,225	206,511	398,415
Additions	-	102,050	34,380	136,430
Disposals	-	(32,495)	(5,722)	(38,217)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2003	87,679	173,780	235,169	496,628
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Accumulated depreciation</i>				
At 1 January 2003	5,207	36,377	105,209	146,793
Provided for the year	1,754	26,971	41,223	69,948
Disposals	-	(17,133)	(2,807)	(19,940)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2003	6,961	46,215	143,625	196,801
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 December 2003	80,718	127,565	91,544	299,827
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2002	82,472	67,848	101,302	251,622
	<hr/>	<hr/>	<hr/>	<hr/>

The long leasehold property is sublet to the parent company, Imperial Estate Agents Limited, at a rate of £12,000 per annum.

8 Investments

	Subsidiary undertakings 2003 £
<i>Cost and net book value</i>	
At 1 January 2003	581,015
Additions	4,042
	<hr/>
At 31 December 2003	585,057
	<hr/>

The investment in subsidiary undertakings represents a holding of 100% of the ordinary share capital of Lennon Planning Limited.

Romans Professional Services Limited

Notes forming part of the financial statements for the year ended 31 December 2003 (Continued)

9 Debtors

	2003 £	2002 £
Trade debtors	538,710	892,462
Amounts owed by group undertakings	455	-
Corporation tax recoverable	-	3,408
Other debtors	3,077	2,208
Deferred tax asset	-	11,102
Prepayments and accrued income	86,884	78,377
	<u>629,126</u>	<u>987,557</u>

10 Creditors: amounts falling due within one year

	2003 £	2002 £
Trade creditors	156,156	165,880
Amounts owed to group undertakings	233,940	154,731
Corporation tax	16,364	-
Other taxation and social security	146,726	151,388
Other creditors	92	259,981
Accruals and deferred income	172,872	153,120
	<u>726,150</u>	<u>885,100</u>

11 Deferred taxation

	£
At 1 January 2003	(11,102)
Charge for the period	12,099
	<u>997</u>
At 31 December 2003	

The deferred tax balance relates to depreciation in excess of capital allowances.

12 Called up share capital

	2003 £	2002 £
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
	<u>114</u>	<u>114</u>
Called up, allotted and fully paid		
1,000 ordinary shares of £1 each	114	114

Romans Professional Services Limited

Notes forming part of the financial statements for the year ended 31 December 2003 (Continued)

13 Reconciliation of movements in shareholder's funds

	2003 £	2002 £
Profit for the year	141,137	131,438
Opening shareholder's funds	999,048	867,610
	<hr/>	<hr/>
Closing shareholder's funds	1,140,185	999,048
	<hr/>	<hr/>

14 Transactions with related parties

During the year the company was recharged £223,326 (2002 - £87,690) in respect of items such as rent, rates and telephone costs by Imperial Estate Agents Limited, a company in which P Kavanagh, D R Norton and P A Coles are shareholders and directors. Amounts totalling £210,595 were recharged by the company to Imperial Estate Agents Limited in the year. These transactions were on an arms length basis.

During the year, the company paid £2,229 (2002 - £607) in respect of recharged items to Flower Independent Financial Advisers Limited, a company in which P Kavanagh, D R Norton and P A Coles are directors. Expenses totalling £40,197 were recharged by the company to Flower Independent financial Advisers Limited in the year. These transactions were on an arms length basis.

During the year, the company recharged amounts totalling £129,575 to its subsidiary undertaking, Lennon Planning Limited. Amounts totalling £1,970 were recharged by Lennon Planning Limited to the company. These transactions were on an arms length basis.

At the year end, the company owed £92 (2002 - £913) to P Kavanagh in respect of his non-interest bearing director's current account. The maximum liability owing to the company on this account during the year was £26,892.

At the year end, the company was owed £3,077 (2002 - £341) by D R Norton in respect of his non-interest bearing director's current account. This was the maximum liability owing to the company on this account during the year.

During the year, the company paid £85,00 (2002 - £63,750) in respect of property rental to D R Norton.

During the year, the company paid £14,750 in respect of consultancy advice to F D Advice Limited, a company in which J C Bright is a director and which is controlled by I Bright, who is a connected person to J C Bright, a director in the parent company, Imperial Estate Agents Limited.

Romans Professional Services Limited

Notes forming part of the financial statements for the year ended 31 December 2003 (*Continued*)

15 Ultimate parent company and controlling party

The company's ultimate parent company is Imperial Estate Agents Limited, a company registered in England and Wales.

Copies of the group financial statements of Imperial Estate Agents Limited, which is the smallest and largest group into which Romans Professional Services is consolidated, are available from Imperial Estate Agents Limited, 4 King Street Lane, Winnersh, Berkshire, RG41 5AS.

The directors consider D R Norton to be the company's ultimate controlling party, by virtue of his majority shareholding in Imperial Estate Agents Limited.