

SUMAL & SONS (PROPERTIES) LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2000

Company No. 2664575



SUMAL & SONS (PROPERTIES) LIMITED

COMPANY INFORMATION

Directors

M Sumal
G Singh
M Singh

Secretary

D S Sumal

Company Number

2664575

Registered Office

24 The Avenue
Wanstead
London
E11 2EF

Reporting Accountants

HURSHENS
291 Green Lanes
Palmers Green
London
N13 4XS

SUMAL & SONS (PROPERTIES) LIMITED

CONTENTS

	Page
Directors' Report	1 to 2
Accountants' Report	3
Profit and Loss Account	4
Balance Sheet	5 to 6
Notes to the Accounts	7 to 10
<i>The following pages do not form part of the statutory accounts:</i>	
Management Profit and Loss Account	11

SUMAL & SONS (PROPERTIES) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 2000

The directors present their report together with the accounts for the year ended 31st March 2000.

Principal Activities and Review of Business

The company's principal activity continued to be that of letting furnished residential property.

Results and Dividends

The results for the year are set out in the profit and loss account on page 4.

The directors consider the profit achieved on ordinary activities before taxation to be satisfactory.

The directors consider the state of the company's affairs to be satisfactory.

The directors do not recommend a dividend .

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary Shares	
	31st	1st
	March	April
	2000	1999
M Sumal	11,000	11,000
G Singh	11,000	11,000
M Singh	11,000	11,000

Political and Charitable Contributions

The company made no political or charitable contributions during the year.

SUMAL & SONS (PROPERTIES) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 2000

Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of the company's affairs and of the profit or loss for that year. In preparing these accounts 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 accounts 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 enable them to ensure that the accounts 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 was approved by the board on 26 November 2000, and signed on its behalf.



D S Sumal, Secretary

Date: 26/4/00

ACCOUNTANTS' REPORT TO THE DIRECTORS
ON THE UNAUDITED ACCOUNTS OF
SUMAL & SONS (PROPERTIES) LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31st March 2000, set out on pages 4 to 10, and you consider that the company is exempt from an audit and a report under Section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

HURSHENS
Chartered Accountants
291 Green Lanes
Palmers Green
London
N13 4XS
Date: 27/11/00

SUMAL & SONS (PROPERTIES) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2000

	Notes	2000 £	1999 £
Turnover	2	320,294	228,508
Gross Profit		320,294	228,508
Administrative Expenses		45,665	41,300
Operating Profit	3	274,629	187,207
Interest Receivable		905	2,965
Interest Payable and Similar Charges	5	(19,459)	-
Profit on Ordinary Activities before Taxation		256,075	190,172
Tax on profit on ordinary activities	6	45,078	36,463
Profit for the Financial Year		210,997	153,708
Retained Profit Brought Forward		451,641	297,933
Retained Profit Carried Forward		662,638	451,641

All amounts relate to continuing activities.

There were no recognised gains or losses for 2000 or 1999 other than those included in the profit and loss account.

The notes on pages 7 to 10 form part of these accounts.

SUMAL & SONS (PROPERTIES) LIMITED

BALANCE SHEET

AS AT 31ST MARCH 2000

	Notes	£	2000 £	£	1999 £
Fixed Assets					
Tangible assets	4		2,146,294		1,751,585
Current Assets					
Cash at bank and in hand		71,007		27,947	
		71,006		27,946	
Creditors: Amounts Falling Due Within One Year	7	83,133		37,873	
Net Current Liabilities			(12,126)		(9,927)
Total Assets Less Current Liabilities			2,134,168		1,741,658
Creditors: Amounts Falling Due After More Than One Year	8		1,361,530		1,180,017
			772,638		561,641
Capital and Reserves					
Share capital	10		110,000		110,000
Profit and loss account			662,638		451,641
Shareholders' Funds	11		772,638		561,641

The directors are of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the year ended 31st March 2000.

The directors confirm that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,

and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The notes on pages 7 to 10 form part of these accounts.

SUMAL & SONS (PROPERTIES) LIMITED

BALANCE SHEET

AS AT 31ST MARCH 2000

These accounts were approved by the board on

26/11/00

and signed on its behalf.

M. S. Sumal

M Sumal
Director

The notes on pages 7 to 10 form part of these accounts.

SUMAL & SONS (PROPERTIES) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2000

1 Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover comprises of rents received by the company from furnished properties.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by reducing balance over their expected useful lives. The rates and periods generally applicable are:

Furniture and equipment - 25%

Investment Properties

In accordance with Statement of Standard Accounting Practice No. 19, certain of the company's properties are held for long-term investment and are included in the Balance Sheet at their open market values. The surplus on revaluation of such properties are transferred to the investment property revaluation reserve. Depreciation is not provided in respect of freehold investment properties.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the Accounts may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

Turnover is attributable to the principal activity of the company.

SUMAL & SONS (PROPERTIES) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2000

3 Operating Profit

The operating profit is arrived at after charging or crediting:

	2000	1999
	£	£
Depreciation of owned assets	1,525	6,264

4 Tangible Fixed Assets

	Investment Properties	Furniture and Equipment (Office)	Furniture (Properties)	Total
	£	£	£	£
Cost				
At 1st April 1999	1,732,768	4,054	31,029	1,767,851
Additions	390,374	-	5,860	396,234
At 31st March 2000	2,123,142	4,054	36,889	2,164,085
Depreciation				
At 1st April 1999	-	3,429	12,837	16,266
Charge for the year	-	125	1,400	1,525
At 31st March 2000	-	3,554	14,237	17,791
Net Book Value				
At 31st March 2000	2,123,142	500	22,652	2,146,294
<i>At 31st March 1999</i>	<i>1,732,768</i>	<i>625</i>	<i>18,192</i>	<i>1,751,585</i>

5 Interest Payable and Similar Charges

	2000	1999
	£	£
Bank overdrafts and loans	19,459	-

6 Taxation

	2000	1999
	£	£
Based on the profit for the year		
UK corporation tax at 20% (1999 21%)	45,078	36,463
	45,078	36,463

SUMAL & SONS (PROPERTIES) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2000

7	Creditors: Amounts Falling Due Within One Year	2000	1999
		£	£
	Other loans due within one year (Note 9)	338,100	-
	Corporation tax	(256,436)	36,463
	Accruals and deferred income	1,469	1,410
		<u>83,133</u>	<u>37,873</u>
8	Creditors: Amounts Falling Due After One Year	2000	1999
		£	£
	Loans (Note 9)	301,513	-
	Shareholders' Loans	1,060,017	1,180,017
		<u>1,361,530</u>	<u>1,180,017</u>
9	Loans	2000	1999
		£	£
	Amounts repayable:		
	In one year or less, or on demand	338,100	-
		<u>338,100</u>	<u>-</u>
	In five years or more	301,513	-
		<u>639,613</u>	<u>-</u>
10	Share Capital	2000	1999
		£	£
	Authorised		
	Equity Shares		
	110,000 Ordinary shares of £1.00 each	110,000	110,000
		<u>110,000</u>	<u>110,000</u>
	Allotted		
	Equity Shares		
	110,000 Allotted, called up and fully paid ordinary shares of £1.00 each	110,000	110,000
		<u>110,000</u>	<u>110,000</u>

SUMAL & SONS (PROPERTIES) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2000

11 Reconciliation of Shareholders' Funds

	2000	1999
	£	£
Profit for the financial year	210,997	153,708
Increase in the shareholders' funds	210,997	153,708
Closing shareholders' funds	772,638	561,641