

Registered number: 2781721

AMENDING

CITY PROPERTY (THETFORD) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2003**



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CITY PROPERTY (THETFORD) LIMITED

COMPANY INFORMATION

DIRECTORS

P A Rackham
Mrs S A Rackham
P A Rackham Jnr
S R Stuteley

SECRETARY

S R Stuteley

COMPANY NUMBER

2781721

REGISTERED OFFICE

Manor Farm
Bridgham
Norwich
Norfolk
NR16 2RX

AUDITORS

V G Watling & Co Ltd
Chartered Certified Accountants & Registered Auditor
22 Thetford Road
Watton
Thetford
Norfolk
IP25 6BS

BANKERS

Lloyds TSB Bank plc
National Westminster Bank plc

CITY PROPERTY (THETFORD) LIMITED

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CITY PROPERTY (THETFORD) 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.

STATEMENT OF 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.

PRINCIPAL ACTIVITIES

The principal activity of the company continues to be that of property investment.

DIRECTORS

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

	Ordinary shares of £1 each	
	<u>31/12/03</u>	<u>1/1/03</u>
P A Rackham	-	-
Mrs S A Rackham	-	-
P A Rackham Jnr	-	-
S R Stuteley	-	-

CITY PROPERTY (THETFORD) LIMITED

DIRECTORS' REPORT **For the year ended 31 December 2003**

AUDITORS

The auditors, V G Watling & Co Ltd, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been 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 26 October 2004 and signed on its behalf.



S R Stuteley
Secretary

CITY PROPERTY (THETFORD) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CITY PROPERTY (THETFORD) LIMITED

I have audited the financial statements of City Property (Thetford) Limited for the year ended 31 December 2003 set out on pages 5 to 11. 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 on page 8.

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 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.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I also report to you if, in my opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

I read the Directors' Report and consider the implications for my report if I become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

I conducted my 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.

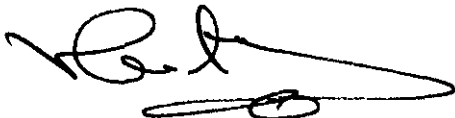
I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

CITY PROPERTY (THETFORD) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CITY PROPERTY (THETFORD)
LIMITED**

OPINION

In my 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.



V G Watling & Co Ltd
Chartered Certified Accountants
Registered Auditor

22 Thetford Road
Watton
Thetford
Norfolk
IP25 6BS

26/10/2004

CITY PROPERTY (THETFORD) LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 31 December 2003

	Note	2003 £	2002 £
TURNOVER	1	476,672	524,100
Administrative expenses		<u>(186,140)</u>	<u>(50,036)</u>
OPERATING PROFIT	2	290,532	474,064
EXCEPTIONAL ITEMS	3		
Net profit on sale of tangible fixed assets		<u>1,189,444</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		1,479,976	474,064
Interest receivable		8,639	199
Interest payable		<u>(337,331)</u>	<u>(361,341)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,151,284	112,922
TAX ON PROFIT ON ORDINARY ACTIVITIES		<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>£ 1,151,284</u>	<u>£ 112,922</u>

The notes on pages 8 to 11 form part of these financial statements.

CITY PROPERTY (THETFORD) LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES For the year ended 31 December 2003

	2003 £	2002 £
PROFIT FOR THE FINANCIAL YEAR	1,151,284	112,922
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>£ 1,151,284</u>	<u>£ 112,922</u>

The notes on pages 8 to 11 form part of these financial statements.

CITY PROPERTY (THETFORD) LIMITED

BALANCE SHEET As at 31 December 2003

	Note	2003 £	2002 £
FIXED ASSETS			
Tangible fixed assets	4	110,557	6,425,000
CURRENT ASSETS			
Debtors	5	1,342,091	17,755
Cash at bank		3,046,513	5,185
		<u>4,388,604</u>	<u>22,940</u>
CREDITORS: amounts falling due within one year	6	<u>(1,359,362)</u>	<u>(1,841,595)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>3,029,242</u>	<u>(1,818,655)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,139,799</u>	<u>4,606,345</u>
CREDITORS: amounts falling due after more than one year	7	<u>(2,344,251)</u>	<u>(4,397,687)</u>
NET ASSETS		<u><u>£ 795,548</u></u>	<u><u>£ 208,658</u></u>
CAPITAL AND RESERVES			
Called up share capital	8	20	20
Revaluation reserve	9	57,907	622,301
Profit and loss account	9	737,621	(413,663)
SHAREHOLDERS' FUNDS		<u><u>£ 795,548</u></u>	<u><u>£ 208,658</u></u>

The financial statements have been 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 26 October 2004 and signed on its behalf.


S R Stuteley
Director

The notes on pages 8 to 11 form part of these financial statements.

CITY PROPERTY (THETFORD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2003

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. No depreciation is provided on investment properties.

1.5 Revaluation of tangible fixed assets

As permitted by the transitional provisions of the Financial Reporting Standard for Smaller Entities (effective June 2002) the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued at 20 January 2003 and will not update that valuation.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2003	2002
	£	£
Auditors' remuneration	850	800

During the year, no director received any emoluments (2002 - £nil).

3. EXCEPTIONAL ITEMS

	2003	2002
	£	£
Profit on sale of fixed assets	£ 1,189,444	£ -

CITY PROPERTY (THETFORD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2003

4. TANGIBLE FIXED ASSETS

	Land and buildings £
Cost or valuation	
At 1 January 2003	6,425,000
Additions	10,557
Disposals	(6,325,000)
	<u>110,557</u>
At 31 December 2003	
Depreciation	
At 1 January 2003 and 31 December 2003	-
	<u>-</u>
Net book value	
At 31 December 2003	£ 110,557
	<u>£ 110,557</u>
At 31 December 2002	£ 6,425,000
	<u>£ 6,425,000</u>

At 31 December 2003, included within the net book value of land and buildings is £110,557 relating to freehold land and buildings.

Cost or valuation at 31 December 2003 is as follows:

	Land and buildings £
At cost	52,650
At valuation:	
52,650	57,907
	<u>£ 110,557</u>
	<u>£ 110,557</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2003 £	2002 £
Cost	52,650	5,802,699
Accumulated depreciation	-	-
	<u>52,650</u>	<u>5,802,699</u>
Net book value	£ 52,650	£ 5,802,699
	<u>£ 52,650</u>	<u>£ 5,802,699</u>

CITY PROPERTY (THETFORD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2003

5. DEBTORS

	2003 £	2002 £
Due within one year		
Trade debtors	-	9,259
Amounts owed by group undertakings	1,340,107	-
Other debtors	1,984	8,496
	<u>£ 1,342,091</u>	<u>£ 17,755</u>

6. CREDITORS: Amounts falling due within one year

	2003 £	2002 £
Bank loans and overdrafts	103,740	117,690
Trade creditors	1,714	-
Amounts owed to group undertakings	-	1,525,583
Social security and other taxes	1,214,941	19,178
Other creditors	38,967	179,144
	<u>£ 1,359,362</u>	<u>£ 1,841,595</u>

7. CREDITORS: Amounts falling due after more than one year

	2003 £	2002 £
Bank loans	<u>£ 2,344,251</u>	<u>£ 4,397,687</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2003 £	2002 £
Repayable by instalments	<u>£ 1,808,451</u>	<u>£ 1,963,057</u>

The loan is repayable by quarterly instalments, and interest is charged at a fixed rate of 10.1% per annum.

CITY PROPERTY (THETFORD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2003

8. SHARE CAPITAL

	2003 £	2002 £
Authorised		
910 Ordinary shares of £1 each	910	910
90 Deferred shares of £1 each	90	90
	<u>£ 1,000</u>	<u>£ 1,000</u>
Allotted, called up and fully paid		
20 Ordinary shares of £1 each	£ 20	£ 20
	<u>£ 20</u>	<u>£ 20</u>

9. RESERVES

Revaluation reserve	£
At 1 January 2003	622,301
Transfer to profit and loss account	(564,394)
	<u>£ 57,907</u>
At 31 December 2003	
Profit and loss account	£
At 1 January 2003	(413,663)
Profit retained for the year	1,151,284
	<u>£ 737,621</u>
At 31 December 2003	

10. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company is a wholly owned subsidiary of Paul Rackham Ltd., a company incorporated in the United Kingdom.