

Company No: 3200727

LEANDOWN LIMITED

FINANCIAL STATEMENTS

- for the period ended -

31 MAY 1997

**BERG KAPROW LEWIS**  
Chartered Accountants  
35 Ballards Lane  
London N3 1XW

Reference SAB/L175/JLH



LEANDOWN LIMITED

**DIRECTORS**

R C Petschek  
C Adair  
A Gabriel  
M D Green

**SECRETARY**

C Adair

**BUSINESS ADDRESS**

7 Nestles Avenue  
Hayes  
Middlesex  
UB3 4SA

**REGISTERED OFFICE**

149 Talgarth Road  
London  
W14 9DA

**ACCOUNTANTS**

Berg Kaprow Lewis  
Chartered Accountants  
35 Ballards Lane  
London  
N3 1XW

LEANDOWN LIMITED

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LEANDOWN LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS OF LEANDOWN LIMITED

In accordance with your instructions we have prepared, without audit, the financial statements for the period ended 31 May 1997 set out on pages 2 to 10 from your books and records and from information and explanations supplied to us.

Berg Kaprow Lewis

BERG KAPROW LEWIS  
Chartered Accountants

35 Ballards Lane  
London  
N3 1XW

Date: 24 March 1998

# LEANDOWN LIMITED

## REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the period ended 31 May 1997.

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company is property owning and managing.

The company was incorporated on 20 May 1996 and commenced trading on 1 June 1996.

The directors are pleased with the results considering this was the first period of trading and expect the company to be profitable in the future.

### **DIVIDEND AND TRANSFER TO RESERVES**

The directors do not recommend payment of a dividend.

It is proposed that the retained profit of £6,310 is transferred to reserves.

### **FIXED ASSETS**

Full disclosure of all matters relating to fixed assets is set out in the notes to the financial statements.

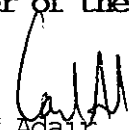
### **DIRECTORS AND THEIR INTERESTS**

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

	<u>Class of share</u>	<u>Number of shares</u>
R C Petschek	Ordinary shares	40
C Adair	Ordinary shares	20
A Gabriel	Ordinary shares	20
M D Green	Ordinary shares	20

By Order of the Board

Date: 17<sup>th</sup> March 1998

  
C Adair  
Secretary

LEANDOWN LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 MAY 1997

	Notes	£
TURNOVER		19,441
Administrative expenses		(17,905)
OPERATING PROFIT		<u>1,536</u>
Profit on sale of fixed assets in continuing operations		<u>77,522</u>
Profit on ordinary activities before interest		79,058
Interest receivable	2	747
Interest payable	3	<u>(55,795)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		24,010
Tax on profit on ordinary activities	4	<u>(17,700)</u>
PROFIT FOR THE FINANCIAL PERIOD	12	<u><u>6,310</u></u>

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

LEANDOWN LIMITED

OTHER PRIMARY STATEMENT FOR THE PERIOD ENDED 31 MAY 1997

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Notes	£
PROFIT FOR THE PERIOD	12	6,310
Unrealised movement on revaluation of properties		91,346
TOTAL NET GAINS RECOGNISED SINCE LAST ANNUAL REPORT		<u>97,656</u>

**LEANDOWN LIMITED****BALANCE SHEET AT 31 MAY 1997**

	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	5		413,000
<b>CURRENT ASSETS</b>			
Debtors	6	150,709	
Cash at bank and in hand		22,688	
		<hr/>	
		173,397	
<b>CREDITORS: Amounts falling due within one year</b>	7	(250,641)	
		<hr/>	
<b>NET CURRENT LIABILITIES</b>			(77,244)
			<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			335,756
<b>CREDITORS: Amounts falling due after more than one year</b>	8		(238,000)
			<hr/>
			97,756
			<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10		100
Revaluation reserve	11		91,346
Profit and loss account	12		6,310
			<hr/>
<b>SHAREHOLDERS' FUNDS</b>	13		97,756
			<hr/>

The statements required to be made by the company's directors and the signatures required by the Companies Act 1985 are given on the following page.

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



LEANDOWN LIMITED

BALANCE SHEET AT 31 MAY 1997 (Continued)

The directors are satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection (2) of section 249B in relation to these financial statements.

The directors acknowledge their responsibilities for:-

- i) ensuring that the company keeps accounting records which comply with section 221; and
- ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements were approved  
by the board on 17 March 1998  
and signed on its behalf by

R C Petschek

R. Petschek

C Adair

C. Adair

) Directors  
)

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

## LEANDOWN LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 1997

#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

##### 1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the period.

##### 1.3 INVESTMENT PROPERTIES

In accordance with Statement of Standard Accounting Practice No. 19 freehold and long leasehold investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve and no depreciation or amortisation is provided thereon. The Companies Act 1985 requires all properties to be depreciated but the directors consider that the company's accounting policy is necessary for the financial statements to give 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.

##### 1.4 DEFERRED TAXATION

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

#### 2. INTEREST RECEIVABLE

	£
Bank interest receivable	747
	<hr/>
	747
	<hr/>

#### 3. INTEREST PAYABLE

	£
On bank loans and overdrafts and on loans repayable in full within five years	14,464
On other loans	13,352
On other interest	27,979
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	55,795
	<hr/>

LEANDOWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 1997

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

£

The taxation charge based on the profit before tax comprises:-

U.K. corporation tax at 24%	17,700
	<u>17,700</u>

It is considered that the corporation tax which would arise, if the investment property was realised at the same time and at the revalued amount at which it is included in the financial statements, would approximate £28,000.

5. TANGIBLE ASSETS

Investment  
properties  
£

Cost or valuation

Additions	643,308
Revaluation in period	91,346
Disposals	(321,654)
	<u>413,000</u>

At 31 May 1997

Net book value at  
31 May 1997

413,000

£

Analysis of net book value of land and buildings:

Freehold	<u>413,000</u>
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The above freehold property was revalued by the directors at 31 May 1997 on an open market basis.

No provision is made for the potential liability to corporation tax which would arise in the event of realisation of the investment property at the value at which it is stated above. Attention is drawn to note 4 with regard to this potential corporation tax liability.

LEANDOWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 1997

6. DEBTORS

	£
Trade debtors	63,814
Other debtors	86,853
Prepayments and accrued income	42
	<hr/>
	150,709
	<hr/>

7. CREDITORS: AMOUNTS FALLING DUE  
WITHIN ONE YEAR

	£
Bank loans	28,000
Trade creditors	156
Corporation tax	17,700
Directors' current accounts	109,283
Other creditors	57,500
Accruals and deferred income	38,002
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	250,641
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8. CREDITORS: AMOUNTS FALLING DUE  
AFTER MORE THAN ONE YEAR

	£
Loans	238,000
	<hr/>
	238,000
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LEANDOWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 1997

9. **BORROWINGS**

£

The company's borrowings are repayable as follows:

In one year, or less or on demand	28,000
Between one and two years	28,000
Between two and five years	84,000
In five years or more	126,000
	<hr/>
	266,000
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Details of security:

UCB Bank Plc holds a first legal mortgage over the company's property and a floating charge over all its other assets as security for amounts owing to it by the company.

The company has taken out a term life assurance policy on the lives of the directors for the period of the loan which has been assigned to UCB Bank Plc.

10. **SHARE CAPITAL**

£

Authorised

**Equity interests:**

1,000 Ordinary shares of £1 each	1,000
	<hr/>

Allotted, called up and fully paid

**Equity interests:**

100 Ordinary shares of £1 each	100
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11. **REVALUATION RESERVE**

£

Revaluation during the period	91,346
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Balance at 31 May 1997	91,346
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LEANDOWN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 1997

12. PROFIT AND LOSS ACCOUNT

	£
Profit for the financial period	6,310
Retained profits at 31 May 1997	<u>6,310</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	£
Profit for the financial period	6,310
Other recognised gains and losses relating to the period (net)	91,346
New share capital subscribed	<u>100</u>
Shareholders' funds at 31 May 1997	<u>97,756</u>
Represented by:-	
Equity interests	<u>97,756</u>
	<u>97,756</u>

14. TRANSACTIONS WITH DIRECTORS

During the year the company recharged property expenses to Windsor Wholesale Limited a company in which R C Petschek and Mark Green are shareholding directors.

Written off against insurance expenses:

Insurance recharged	£ 4,184
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Balances at 31 May 1997 in respect of Windsor Wholesale Limited

Trade debtors	£ 63,814
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Other creditors	£ 57,500
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Windsor Wholesale Limited has guaranteed monies due in respect of the loan facility disclosed in note 9.