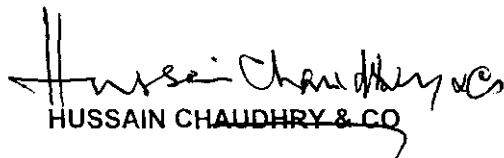


Company No: 03407104

ACCOUNTANTS REPORT TO THE DIRECTORS OF

L.G. MONTESSORI SCHOOL LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31st December 2002 set out on the attached pages, and you consider that the company is exempt from an audit 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.


HUSSAIN CHAUDHRY & CO

1 DAYBROOK ROAD

LONDON, SW19 3DJ

ACCOUNTANTS

25th October 2003

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L.G. MONTESSORI SCHOOL LIMITED

ABBREVIATED BALANCE SHEET
AS AT 31ST DECEMBER 2002

	<u>Notes</u>	<u>2002</u> <u>£</u>	<u>2001</u> <u>£</u>
FIXED ASSETS			
Intangible Assets	2.	153,889	153,889
Tangible Assets	3.	<u>792,102</u>	<u>806,778</u>
		<u>945,991</u>	<u>960,667</u>
CURRENT ASSETS			
Debtors		-	-
Cash at Bank and In Hand		<u>59,016</u>	<u>60,296</u>
		59,016	60,296
CREDITORS: Amounts Falling Due Within One Year		<u>(94,898)</u>	<u>(101,308)</u>
NET CURRENT ASSETS		<u>(35,882)</u>	<u>(41,012)</u>
Total Assets Less Current Liabilities		910,109	919,655
CREDITORS: Amounts Falling Due After More Than One Year		<u>(712,260)</u>	<u>(752,047)</u>
NET ASSETS		<u>197,849</u>	<u>167,608</u>
CAPITAL AND RESERVES			
Called Up Share Capital	4.	70,000	70,000
Profit and Loss Account		<u>127,849</u>	<u>97,608</u>
SHAREHOLDERS FUNDS		<u>197,849</u>	<u>167,608</u>

The directors are satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to Section 249B(2) of the Act.

The directors acknowledge their responsibilities for:-

- (i) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss 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 accounts have been prepared in accordance with the special provisions relating to Part VII of the Companies Act 1985.

SIGNED ON BEHALF OF
THE BOARD OF DIRECTORS
(Risvanna Sheikh - Director)

Approved by the Board: 24th October 2003

L.G. MONTESSORI SCHOOL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED
31ST DECEMBER 2002

1. **ACCOUNTING POLICIES**

Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities. (Effective June 2002).

Turnover

Turnover represents the total invoice value, excluding VAT of sales made during the year

Goodwill

Goodwill is not amortised as the director is of the opinion that its value is at least as much as the amount at which it is included in the accounts.

Tangible Fixed Assets and Depreciation

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

Land and Buildings	-	straight line over 50 years
Fixtures and Equipment	-	10% straight line

Deferred Taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to materialise.

2. **INTANGIBLE FIXED ASSETS**

	<u>2002</u> £	<u>2001</u> £
Goodwill at cost	153,889	153,889
Additions	<u>-</u>	<u>-</u>
	<u>153,889</u>	<u>153,889</u>

L.G. MONTESSORI SCHOOL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED
31ST DECEMBER 2002 (Continued)

3. TANGIBLE FIXED ASSETS

	<u>Total</u>
Cost at 1st January 2002	860,856
Additions	<u>5,960</u>
At 31st December 2002	<u>866,816</u>
Depreciation at 31st January 2002	54,078
Charge for year	<u>20,636</u>
At 31st December 2002	<u>74,714</u>
Net Book Value	<u>792,102</u>

	<u>2002</u> <u>£</u>	<u>2001</u> <u>£</u>
4. <u>SHARE CAPITAL</u>		
AUTHORISED		
100,000 Ordinary Shares of £1 each	<u>100,000</u>	<u>100,000</u>
ALLOTTED, CALLED UP AND FULLY PAID		
70,000 Ordinary Shares of £1 each	<u>70,000</u>	<u>70,000</u>