

McCarthy & Stone Investment Properties No 4 Limited

Report and Accounts

31 August 2004

Registration number 3617963



McCarthy & Stone Investment Properties No 4 Limited
Directors and Officers

DIRECTORS

McCarthy & Stone (Group Services) Limited
McCarthy & Stone Corporate Services Limited

SECRETARY

McCarthy & Stone (Group Services) Limited

REGISTERED OFFICE

Homelife House
26-32 Oxford Road
Bournemouth

AUDITORS

Ernst & Young LLP
Southampton
Hampshire

BANKERS

Nat West Bank plc
Christchurch
Dorset

SOLICITORS

Travers Smith Braithwaite
Snow Hill
London

McCarthy & Stone Investment Properties No 4 Limited

Directors' Report

The directors present their report and accounts for the year ended 31 August 2004.

Business Review

The company's business is owning and letting business premises.

Results and Dividends

Profit on ordinary activities after taxation was £nil (2003 £27,080). The directors do not recommend the payment of a dividend leaving £nil (2003 £27,080) to be added to reserves. During the year, the Company entered into a declaration of Trust with a fellow subsidiary undertaking such that the freehold property owned by the company is now held upon trust for that fellow subsidiary undertaking.

Directors And Their Interests

A list of the present directors is shown on page 1.

All the directors held office throughout the period covered by the accounts.

Auditors

A resolution to appoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on 8th November 2004.



Trevor Green

For and behalf of McCarthy & Stone (Group Services) Limited
Secretary

McCarthy & Stone Investment Properties No 4 Limited

Statement of 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 affairs of the company and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- 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 maintaining 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 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.

McCarthy & Stone Investment Properties No 4 Limited

Independent Auditors' Report

To The Members of McCarthy & Stone Investment Properties No 4 Limited

We have audited the company's financial statements for the year ended 31 August 2004 which comprise the Profit and Loss Account and Balance Sheet and the related notes 1 to 11. These financial statements have been prepared on the basis of the accounting policies set out therein.

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 auditors' 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 United Kingdom law and accounting standards.

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.

Basis of 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 August 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor

Southampton



McCarthy & Stone Investment Properties No 4 Limited
Profit and Loss Account
for the year ended 31 August 2004

	Notes	31 August 2004 £	31 August 2003 £
Operating profit		-	-
Profit on ordinary activities before taxation		-	-
Taxation on ordinary activities	2	-	27,080
Profit on ordinary activities after taxation		-	27,080
Retained profit in the year	8	<u>-</u>	<u>27,080</u>

Statement of total recognised gains and losses

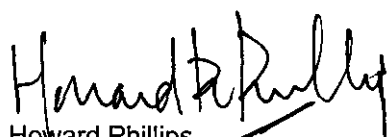
The company has no recognised gains or losses other than the profit for the above financial periods. A reconciliation of shareholders funds and movements on reserves is given at note 9 to the accounts.

Continuing operations

None of the company's activities were acquired or discontinued during the above financial periods.

McCarthy & Stone Investment Properties No 4 Limited
Balance Sheet
as at 31 August 2004

	Notes	2004 £	2003 £
Fixed assets			
Tangible assets	3	-	784,307
Current assets			
Debtors	4	34,224	34,224
Creditors: amounts falling due within one year	5	-	(784,307)
Net current assets/(liabilities)		34,224	(750,083)
Total assets less current liabilities		34,224	34,224
		<u>34,224</u>	<u>34,224</u>
Capital and reserves			
Called up share capital	6	2	2
Profit and loss account	8	34,222	34,222
	9	<u>34,224</u>	<u>34,224</u>



Howard Phillips

For and behalf of McCarthy & Stone Corporate Services Limited
Director

Approved by the board on 8th November 2004.

McCarthy & Stone Investment Properties No 4 Limited
Notes to the Accounts
at 31 August 2004

1 Accounting policies

The following accounting policies have been used in dealing with items which are considered material in relation to the company accounts.

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Cashflow Statement

No cashflow statement has been prepared for the company as it is itself a wholly owned subsidiary. A group consolidated cashflow statement is included in the accounts of the ultimate parent undertaking, McCarthy & Stone plc.

Taxation

The charge for taxation is based on the profit 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 tax is recognised on all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Tangible Fixed Assets

Tangible fixed assets are recorded at cost. Freehold land is not depreciated. Freehold buildings are depreciated over fifty years.

McCarthy & Stone Investment Properties No 4 Limited
Notes to the Accounts
at 31 August 2004

2 Tax on profit on ordinary activities	2004	2003
	£	£
a) Analysis of tax charge for the year		
Current tax on income for the period and tax charge per accounts	-	(27,080)
b) Factors affecting the tax charge for the year		
Anticipated tax charge based on profit before tax at 30.0%	-	-
Actual current tax charge	-	(27,080)
Difference	-	(27,080)
Explained as:		
Group Relief	-	(27,080)
	-	(27,080)
c) Deferred Tax Movements		
Deferred taxation at:		
At 1 September	-	-
Charge for the year	-	(12,365)
Credit for prior year	-	12,365
At 31 August	-	-
3 Tangible fixed assets		
		Freehold land and buildings £
Cost		
At 1 September 2003		784,307
Additions		-
Transfer to fellow subsidiary undertaking		(784,307)
At 31 August 2004		-
Depreciation		
At 1 September 2003		-
At 31 August 2004		-
Net book value		
At 1 September 2003		784,307
At 31 August 2004		-
4 Debtors	2004	2003
	£	£
Amounts owed by parent undertaking	34,224	34,224

McCarthy & Stone Investment Properties No 4 Limited
Notes to the Accounts
at 31 August 2004

5 Creditors: amounts falling due within one year			2004	2003
			£	£
Amounts owed to group undertakings			-	784,307
6 Share capital			2004	2003
			£	£
Authorised:				
Ordinary shares of £1 each			1,000	1,000
	2004	2003	2004	2003
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	2	2	2	2
7 Movement in share capital			2004	2003
			£	£
At 1 September			2	2
At 31 August			2	2
8 Profit and loss account			2004	2003
			£	£
At 1 September			34,222	7,142
Retained profit for the year			-	27,080
At 31 August			34,222	34,222
9 Reconciliation of movements in shareholders' funds			2004	2003
			£	£
At 1 September			34,224	7,144
Retained profit for the year			-	27,080
At 31 August			34,224	34,224

10 Ultimate Parent Undertaking

The company is wholly owned subsidiary undertaking of McCarthy & Stone plc, which is registered in England and Wales. The consolidated accounts of McCarthy & Stone plc are those of both the smallest and largest group of which the company is a member and for which group accounts are prepared. Copies of the group accounts can be obtained from the Company Secretary, Homelife House, 26-32 Oxford Road, Bournemouth.

McCarthy & Stone Investment Properties No 4 Limited
Notes to the Accounts
at 31 August 2004

11 Related Parties

The company has taken advantage, as a 100% subsidiary, of the exemption available under FRS 8 from disclosing transactions with members of the McCarthy & Stone plc Group.