

SUSSEX HEIGHTS (BRIGHTON) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2001

Registered No 2676784 (England & Wales)

SUSSEX HEIGHTS (BRIGHTON) LIMITED
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FOR THE YEAR ENDED 31st MARCH 2001

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DIRECTORS' REPORT

The directors present herewith their report and the financial statements of the company for the year ended 31st March 2001.

PRINCIPAL ACTIVITY

The company's principal activity during the year was the provision of management services, maintenance and the collection of Ground Rents of the Block of Flats known as Sussex Heights, St. Margarets Place, Brighton, with a view to it becoming one of the most prestigious Blocks of Flats on the South Coast of England.

DIRECTORS AND THEIR INTERESTS

The directors of the company at 31st March 2001 and their interests in the share capital of the company were as follows:-

	<u>Number of shares</u>	
	<u>31st March 2001</u>	<u>31st March 2000 or subsequent date of appointment</u>
A. Appleton	1	1
Mrs M. Forbes	1	1
Ms V.J. Dyall (Appointed 21.5.00)	-	-

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

SMALL COMPANY RULES

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985.

This report was approved by the board on 18th August 2001 and signed on its behalf.

Mrs M. Forbes,
Director

M. Forbes

AUDITORS' REPORT TO THE SHAREHOLDERS OF
SUSSEX HEIGHTS (BRIGHTON) LIMITED

2.

We have audited the financial statements on pages 3 to 7 which have been prepared in accordance with the Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 the company's affairs at 31st March 2001 and of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



HOLLINGS CROWE STORR & CO.,
Registered Auditors & Accountants,

14 Beech Hill,
OTLEY,
West Yorkshire,
LS21 3AX.

18th August 2001

SUSSEX HEIGHTS (BRIGHTON) LIMITED

3.

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2001

		<u>2001</u>	<u>2000</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>
TURNOVER		10,072	10,265
Administrative expenses		(3,957)	(3,557)
OPERATING PROFIT	2	6,115	6,708
Interest receivable		839	509
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		6,954	7,217
Tax on profit on ordinary activities		307	400
RETAINED PROFIT FOR THE YEAR		6,647	6,817
RETAINED PROFIT BROUGHT FORWARD		18,155	11,338
RETAINED PROFIT CARRIED FORWARD		24,802 =====	18,155 =====

The notes on pages 5 to 7 form part of these financial statements.

BALANCE SHEET AS AT 31st MARCH 2001

	<u>Notes</u>	<u>2001</u>		<u>2000</u>	
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
FIXED ASSETS					
Tangible assets	4		30,845		31,135
CURRENT ASSETS					
Debtors	5	394		1,573	
Cash at bank		34,371		26,374	
			34,765		27,947
CREDITORS - amounts falling due due within one year	6	9,758		9,888	
NET CURRENT ASSETS			25,007		18,060
NET ASSETS			55,852		49,195
			=====		=====
CAPITAL AND RESERVES					
Called up share capital	7		1,050		1,040
Revaluation reserve	8		30,000		30,000
Profit and loss account			24,802		18,155
SHAREHOLDERS' FUNDS			55,852		49,195
			=====		=====

The financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies were approved by the board on 18th August 2001 and signed on its behalf.

Mrs M. Forbes,
Director

M. Forbes

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2001

1. ACCOUNTING POLICIES

1.1 Accounting conventions

The financial statements are prepared under the historical cost convention, modified to include the revaluation of freehold land and buildings, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2 Turnover

Turnover represents the ground rents receivable from the lessees.

1.3 Depreciation of tangible assets

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

Fixtures and fittings - 25% per annum on reducing balance

1.4 Investment property

In accordance with SSAP 19, the investment property is not depreciated and the directors consider that this accounting policy, which represents a departure from statutory accounting principles, is necessary to show a true and fair view.

2. OPERATING (LOSS)/PROFIT

	<u>2001</u>	<u>2000</u>
This is stated after charging:	<u>£</u>	<u>£</u>
Directors' emoluments	-	-
Auditors' remuneration - audit fees	728	705
Depreciation	878	379
	===	===

3. TAXATION

	<u>£</u>	<u>£</u>
U.K. Current year taxation		
Corporation tax at 10% (2000 : 20%)	313	400
Prior year adjustment	(6)	-
	—	—
	307	400
	===	==

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2001 continued ...

4. TANGIBLE FIXED ASSETS

	<u>Investment property</u>	<u>Fixtures and fittings</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Cost or valuation:			
At 1st April 2000	30,000	2,924	32,924
Additions	-	588	588
At 31st March 2001	30,000	3,512	33,512
Depreciation:			
At 1st April 2000	-	1,789	1,789
Charge for year	-	878	878
At 31st March 2001	-	2,667	2,667
NET BOOK VALUE AT 31st March 2001	30,000 =====	845 =====	30,845 =====
NET BOOK VALUE AT 31st March 2000	30,000 =====	1,135 =====	31,135 =====
Cost or valuation at 31st March 2001 comprises:-			
Valuation at 1994			30,000
At cost			3,512
			<u>33,512</u> =====

Investment property

The value of ground rents is stated at the fair value of the underlying net asset. The revaluation from cost to underlying net asset value is recorded through the revaluation reserve. The ground rents were revalued on the 15th June 1994 at an open market existing use basis by Enever & Co., a firm of Chartered Surveyors and the directors are satisfied that this value continued to apply as at 31st March 2001.

5. DEBTORS

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Other debtors	394	1,573
	===	=====

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2001 continued ...

6. CREDITORS - amounts falling due within one year	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Corporation tax	145	298
Other creditors	9,613	9,590
	<u>9,758</u>	<u>9,888</u>
	=====	=====

7. SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted, called up and fully paid</u>	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
	<u>No</u>	<u>No</u>	<u>No</u>	<u>No</u>
Ordinary shares of £10 each	116	116	105	104
	===	===	===	===

During the year one ordinary share of £10 was issued for consideration of £10.

8. REVALUATION RESERVE

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
At 1st April 2000 and At 31st March 2001	30,000	30,000
	=====	=====

DETAILED TRADING ACCOUNT
FOR THE YEAR ENDED 31st MARCH 2001

	<u>2001</u>		<u>2000</u>	
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
INCOME		10,072		10,265
OVERHEAD EXPENSES:				
Insurance	970		1,150	
Printing, postage & stationery	307		272	
Travelling expenses	198		-	
Company Secretary & Chairman's expenses	385		945	
Training costs	195		-	
Sundry expenses	296		106	
Audit & accountancy	728		705	
Depreciation:				
Fixtures & fittings	878		379	
		<u>3,957</u>		<u>3,557</u>
OPERATING PROFIT		6,115		6,708
INTEREST RECEIVABLE				
Other interest received		839		509
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>6,954</u> =====		<u>7,217</u> =====