

LIBERTY GROUP LIMITED

Registered No. 535232

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2001



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LIBERTY GROUP LIMITED
REPORT OF THE DIRECTORS

The directors submit their annual report together with the financial statements for the year ended 31 January 2001.

PRINCIPAL ACTIVITIES

The company is engaged in the provision of management services and property rental.

DIRECTORS

The directors in office throughout the year and their interests in the shares of the company at 31 January 2001 were as follows:-

Ordinary Shares of £1 each
2001 and 2000

Dr. P.E.R. Cook	2,445
Ms. V.L. Cook	1,223
Dr. S.J. Cook	1,222
Mrs. C.Metcalf	-

Dr. P.E.R. Cook has an interest in transactions as stated in note 12 to the financial statements.

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:-

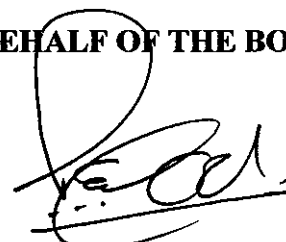
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 him 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 EXEMPTIONS

In preparing this report, the directors have taken advantage of the special exemptions available to small companies in Part VII of the Companies Act 1985.

ON BEHALF OF THE BOARD



Dr. P.E.R. Cook
Director

Dean Court,
Upper Dean,
Huntingdon,
PE28 0NL

LIBERTY GROUP LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2001

	Note	2001	2000
TURNOVER		37,000	71,500
Administrative expenses		(25,329)	(43,395)
Profit on fixed asset disposal		79,210	
		<hr/>	<hr/>
OPERATING PROFIT	2	90,881	28,105
Interest payable and similar charges		(136)	(993)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		90,745	27,112
Taxation	3	(5,550)	(5,635)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		85,195	21,477
DIVIDENDS PAID & PROPOSED		(10,000)	(10,000)
ACCUMULATED (LOSSES) / PROFITS BROUGHT FORWARD		14,347	2,870
		<hr/>	<hr/>
ACCUMULATED (LOSSES) / PROFITS CARRIED FORWARD		<u>£ 89,542</u>	<u>£ 14,347</u>

The accompanying notes form part of these financial statements.

LIBERTY GROUP LIMITED

BALANCE SHEET AS AT 31 JANUARY 2001

	Notes	2001	2000
FIXED ASSETS			
Tangible assets	4	358,965	356,739
CURRENT ASSETS			
Debtors	5	4,385	1,550
Cash at bank and in hand		<u>(297)</u>	<u>29</u>
		4,088	1,579
CREDITORS			
Amounts falling due within one year	6	<u>60,358</u>	<u>130,818</u>
NET CURRENT LIABILITIES	13	<u>(56,270)</u>	<u>(129,239)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		302,695	227,500
CREDITORS			
Amounts falling due after more than one year	7	(-)	(-)
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation	8	<u>(12,300)</u>	<u>(12,300)</u>
		<u>£290,395</u>	<u>£215,200</u>
CAPITAL AND RESERVES			
Called up share capital	9	4,890	4,890
Revaluation reserve	10	195,963	195,963
Profit and loss account		<u>89,542</u>	<u>14,347</u>
Shareholders' funds	11	<u>£290,395</u>	<u>£215,200</u>

The accompanying notes form part of these financial statements.

The directors have :-

- a) taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(1) [total exemption]
- b) confirmed that no notice has been deposited under Section 249B(2) of the Companies Act 1985
- c) acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985
- d) acknowledged their responsibilities for preparing accounts which give a true and fair view of the company and of its profit/loss (which ever is applicable) for the year then ended 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 this company
- e) (i) taken advantage of the exemptions conferred by Part III of Schedule 8 of the Companies Act 1985 and
(ii) in their opinion the company is entitled to those exemptions on the basis that it qualifies as a small company.

The financial statements were approved by the Board on the 30 March 2001.

.....
Dr. P.E.R. Cook

.....
Director

LIBERTY GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2001

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, on a going concern basis (see note 14) and reflect the results which are all from continuing activities.

TURNOVER

Turnover is the total amount receivable by the company in the ordinary course of business with customers for goods supplied as a principal and for the services provided, net of Value Added Tax.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Land and buildings are held as investment properties and are stated at a valuation. No depreciation is provided on investment properties. The Companies Act 1985 requires all properties to be depreciated, but this requirement conflicts with the principals set out in SSAP 19 which requires that investment properties are not depreciated. As the investment properties are held for the purpose of investment and not consumption, the directors consider that SSAP 19 should be adopted in order for the financial statements to give a true and fair view. Had this departure from the Companies Act 1985 not been made the profit for the financial year would have been reduced by depreciation. However, the amount of the depreciation cannot be reasonably quantified.

Other tangible fixed assets are depreciated at rates so as to write off their cost less residual value over their estimated useful lives using the reducing balance method at a rate of 10% per annum.

DEFERRED TAXATION

Deferred taxation is provided at current rates of Corporation Tax unless a liability is unlikely to arise in the foreseeable future.

CASH FLOW STATEMENT

In accordance with the exemption allowed for small companies in Financial Reporting Standard No. 1 issued in September 1991, the company has not produced a cash flow statement.

PENSION SCHEME

The company makes payments into an independently administered defined benefit pension scheme. The payments are charged to the profit and loss account as they fall due.

LIBERTY GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2001 (Cont'd)

2. OPERATING PROFIT

Operating profit is stated after charging:

	2001	2000
Directors' emoluments (including pension contributions)	8,900	29,000
Auditors remuneration	-	-
Depreciation	82	91
	<u>=====</u>	<u>=====</u>

3. TAXATION

Corporation Tax is payable at the small companies rate.

4. TANGIBLE ASSETS

	Total	Land & buildings	Plant & equipment	Office equipment
Cost or valuation				
At 1 February 2000	366,290	355,922	2,913	7,455
Additions at cost	-	26,898	-	-
Disposals	<u>-</u>	<u>24,590</u>	<u>-</u>	<u>-</u>
At 31 January 2001	<u>£368,598</u>	<u>£358,230</u>	<u>£2,913</u>	<u>£7,455</u>
Depreciation				
At 1 February 2000	9,551	-	2,536	7,015
Charge for the year	82	-	38	44
At 31 January 2001	<u>£9,633</u>	<u>-</u>	<u>£2,574</u>	<u>£7,059</u>
Net book value				
At 31 January 2001	<u>£358,965</u>	<u>£358,230</u>	<u>£339</u>	<u>£396</u>
At 31 January 2000	<u>£356,739</u>	<u>£355,922</u>	<u>£377</u>	<u>£440</u>
Comprising:				
Cost		£ 41,730		
Open market valuation 1992		£316,500		
		<u>£358,230</u>		

The basis of the valuation used was open market value.

LIBERTY GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2001 (Cont'd)

5. DEBTORS	2001	2000
Trade debtors	-	2,050
Amounts owed by group undertakings	4,385	(500)
Bank Account	(297)	29
	<u>£ 4,088</u>	<u>£ 1,579</u>

6. CREDITORS: Amounts falling due within one year		
Bank loans and overdrafts (secured)	-	-
Trade creditors	3,132	2,317
Taxation and social security	1,256	27,028
Current taxation	11,378	5,634
Other creditors	44,592	95,839
	<u>£ 60,358</u>	<u>£130,818</u>

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

The bank loans are secured and are repayable in instalments as follows:-

Between 2 and 5 years	-	-
After more than 5 years	-	-
	<u>£ -</u>	<u>£ -</u>

8. DEFERRED TAXATION

Provision has been made for deferred taxation arising on the revaluation of the property at 25%. No adjustment was required during the year.

LIBERTY GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2001 (Cont'd)

9. CALLED UP SHARE CAPITAL

2001 and 2000

Authorised:

5,000 Ordinary shares of £1 each

£5,000

Allotted, called up and fully paid:

4,890 Ordinary shares of £1 each

£4,890

10. REVALUATION RESERVE

The revaluation reserve arises from the revaluation of land and buildings.

The balance on the revaluation reserve is non-distributable as defined by the Companies Act 1985.

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
Profit for the financial year	75,195	11,478
Opening shareholders' funds	215,201	203,723
	<hr/>	<hr/>
Closing shareholders' funds	£290,396	£215,201
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12. DIRECTOR'S INTERESTS IN TRANSACTIONS

Dr. P.E.R. Cook is the majority shareholder and a director of Liberty Systems Ltd. and Pi Tape Limited. Management charges of £7,000 were made by the company on a normal trading basis during the year to these companies.

13. NET CURRENT LIABILITIES

The balance sheet shows a shortfall of working capital which the director is confident can be financed either by further borrowing or the introduction of further shareholders' funds. The director believes it is appropriate that the financial statements have been prepared on a going concern basis.