

Company Registration No. 890822 (England and Wales)

DENISTON PROPERTIES (HOVE) LIMITED
DIRECTOR'S REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2004



DENISTON PROPERTIES (HOVE) LIMITED

COMPANY INFORMATION

Director	M R Corfield
Secretary	R D Meyer
Company number	890822
Registered office	78 High Street Lewes East Sussex
Accountants	Knill James 78 High Street Lewes East Sussex
Business address	30 Dyke Road Avenue Brighton East Sussex
Bankers	Barclays Bank plc 139/142 North Street Brighton East Sussex
Solicitors	Adams & Remers School Hill Trinity House Lewes East Sussex

DENISTON PROPERTIES (HOVE) LIMITED

CONTENTS

	Page
Director's report	1
Profit and loss account	2
Statement of total recognised gains and losses	3
Balance sheet	4
Notes to the financial statements	5 - 8

DENISTON PROPERTIES (HOVE) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2004

The director presents his report and financial statements for the year ended 30 September 2004.

Principal activities

The principal activity of the company continued to be that of property investment.

Director

The following director has held office since 1 October 2003:

M R Corfield

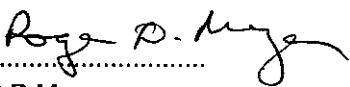
Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £1 each	
	30 September 2004	1 October 2003
M R Corfield	100	100

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

By order of the board


.....
R D Meyer
Secretary
14 January 2005

DENISTON PROPERTIES (HOVE) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Notes	2004 £	2003 £
Turnover		77,379	55,259
Administrative expenses		(50,185)	(104,165)
Operating profit/(loss)	2	27,194	(48,906)
Other interest receivable and similar income	3	188	-
Interest payable and similar charges		(9)	(85)
Profit/(loss) on ordinary activities before taxation		27,373	(48,991)
Tax on profit/(loss) on ordinary activities	4	(7,450)	(7,890)
Profit/(loss) on ordinary activities after taxation		19,923	(56,881)
Dividends		-	(137,000)
Retained profit/(loss) for the year	10	19,923	(193,881)

DENISTON PROPERTIES (HOVE) LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004 £	2003 £
Profit/(loss) for the financial year	19,923	(56,881)
Unrealised surplus on revaluation of properties	130,000	125,000
Total recognised gains and losses relating to the year	<u>149,923</u>	<u>68,119</u>

DENISTON PROPERTIES (HOVE) LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2004

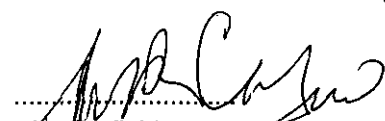
	Notes	2004 £	£	2003 £	£
Fixed assets					
Tangible assets	5 and 6		805,075		700,088
Current assets					
Debtors	7	108,410		135,358	
Cash at bank and in hand		324,673		254,149	
		<u>433,083</u>		<u>389,507</u>	
Creditors: amounts falling due within one year	8	<u>(19,209)</u>		<u>(20,569)</u>	
Net current assets			<u>413,874</u>		<u>368,938</u>
Total assets less current liabilities			<u>1,218,949</u>		<u>1,069,026</u>
Capital and reserves					
Called up share capital	9		100		100
Revaluation reserve	10		778,578		672,109
Profit and loss account	10		<u>440,271</u>		<u>396,817</u>
Shareholders' funds			<u>1,218,949</u>		<u>1,069,026</u>

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
 - (i) ensuring that the company keeps 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, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 14 January 2005


M R Corfield
Director

DENISTON PROPERTIES (HOVE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2004

1 Accounting policies

1.1 Accounting convention

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 June 2002).

1.2 Turnover

Turnover represents rents receivable during the year.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets include investment properties valued by the director on an existing use open market value basis. Other tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	15% reducing balance basis
--------------------------------	----------------------------

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the director compliance with the standard 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 of this which might otherwise have been charged cannot be separately identified or quantified.

1.4 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

2 Operating profit/(loss)	2004	2003
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	13	15
	<u> </u>	<u> </u>
3 Investment income	2004	2003
	£	£
Other interest	188	-
	<u> </u>	<u> </u>

DENISTON PROPERTIES (HOVE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

4	Taxation	2004 £	2003 £
	Domestic current year tax		
	U.K. corporation tax	-	11,554
	Adjustment for prior years	7,450	(3,664)
	Current tax charge	<u>7,450</u>	<u>7,890</u>

On the basis of these financial statements no provision has been made for corporation tax.

The company has no material liabilities or assets in respect of deferred taxation (2003 - £nil).

5	Tangible fixed assets	Plant and machinery etc £
	Cost or valuation	
	At 1 October 2003 & at 30 September 2004	<u>844</u>
	Depreciation	
	At 1 October 2003	756
	Charge for the year	13
	At 30 September 2004	<u>769</u>
	Net book value	
	At 30 September 2004	<u>75</u>
	At 30 September 2003	<u>88</u>

DENISTON PROPERTIES (HOVE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

6 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 October 2003	700,000
Revaluation	130,000
Disposals	(25,000)
	<hr/>
At 30 September 2004	805,000
	<hr/>

The properties were revalued as at the balance sheet date by the director on the basis of open market value for current use. The historical cost of the company's freehold properties is £26,422 (2003 - £27,891).

The revaluation of properties does not constitute a timing difference and the potential amount of deferred tax on this has therefore not been quantified.

7 Debtors	2004 £	2003 £
Trade debtors	108,101	8,940
Other debtors	309	126,418
	<hr/>	<hr/>
	108,410	135,358
	<hr/>	<hr/>

Included in other debtors is an amount of £309 (2003 - £122,754) due from the director. This was repaid to the company after the year end.

8 Creditors: amounts falling due within one year	2004 £	2003 £
Taxation and social security	-	11,554
Other creditors	19,209	9,015
	<hr/>	<hr/>
	19,209	20,569
	<hr/>	<hr/>

9 Share capital	2004 £	2003 £
Authorised		
100 Ordinary shares of £1 each	100	100
	<hr/>	<hr/>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
	<hr/>	<hr/>

DENISTON PROPERTIES (HOVE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2004

10 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 October 2003	672,109	396,817
Retained profit for the year	-	19,923
Transfer from revaluation reserve to profit and loss account	(23,531)	23,531
Revaluation during the year	130,000	-
Balance at 30 September 2004	<u>778,578</u>	<u>440,271</u>

11 Control

The ultimate controlling party is M R Corfield, the sole director and shareholder.