

LONDON PROPERTY CONSTRUCTION LIMITED

COMPANY NO 1029101

ACCOUNTS

YEAR ENDED 31ST DECEMBER 2007

TERENCE GORDON & ASSOCIATES
ACCOUNTANTS AND TAX ADVISERS
34 EVELYN ROAD
COCKFOSTERS
BARNET
HERTS EN4 9JT

TELEPHONE/FAX: 020 8440 7263

THURSDAY

TUI



AUR8429J

A34 14/08/2008 106
COMPANIES HOUSE

AZKIB200

A40 05/08/2008 243
COMPANIES HOUSE

LONDON PROPERTY CONSTRUCTION LIMITED

CONTENTS

Page

1	COMPANY INFORMATION
2	DIRECTORS' REPORT
3	ACCOUNTANT'S REPORT
4	PROFIT AND LOSS ACCOUNT
5 - 6	BALANCE SHEET
7 - 11	NOTES TO THE FINANCIAL STATEMENTS

LONDON PROPERTY CONSTRUCTION LIMITED

COMPANY INFORMATION

DIRECTORS

D Tahernia Esq
Dr M I Janossa-Tahernia

SECRETARY

D Tahernia Esq

COMPANY NUMBER

1029101

REGISTERED OFFICE

35 St Crispins Close
London
NW3 2QF

ACCOUNTANTS

Terence Gordon & Associates
34 Evelyn Road
Cockfosters
Barnet
HERTS
EN4 9JT

LONDON PROPERTY CONSTRUCTION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2007

The Directors present their Report and the Financial Statements for the year ended 31st December 2007

Principal Activity

The principal activity of the Company is to deal in Property. Such activities include purchases, disposals, conversions and lettings.

Results and Dividends

The results for the year are set out on page 4.

Directors and their Interests

The Directors who served during the year and their interests in the Company are as stated below -

	<u>Ordinary Shares</u>	
	<u>31.12.07</u>	<u>01.01.07</u>
D Tahernia Esq	99	99
Dr M I Janossa-Tahernia	1	1

This Report is prepared in accordance with the Special Provisions of Part VII of the Companies Act 1985 relating to Small Companies.

This Report was approved by the Board on 14th July 2008 and signed on its behalf by -

x  x
D. Tahernia
Secretary

ACCOUNTANT'S REPORT TO THE MEMBERS OF

LONDON PROPERTY CONSTRUCTION LIMITED

YEAR ENDED 31ST DECEMBER 2007

In accordance with the Engagement Letter dated 16 March 2006 and in order to assist you to fulfill your duties under the Companies Act 1985, we have compiled the Financial Statements of the Company which comprise the Profit & Loss Account, the Balance Sheet and the related Notes from the accounting records and information and explanations you have given to us

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the Financial Statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors as a body for our work or for this report.

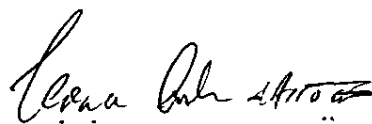
We have carried out this engagement in accordance with technical guidance issued by the Association of Accounting Technicians and have complied with the ethical guidance laid down by the Association relating to members undertaking the compilation of Financial Statements.

You have acknowledged on the Balance Sheet for the period ended 31st December 2007 your duty to ensure that the Company has kept accounting records and to prepare Financial Statements that give a true and fair view under the Companies Act 1985. You consider that the Company is exempt from the statutory requirement for an Audit for the year.

We have not been instructed to carry out an Audit of the Financial Statements. For this reason we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the Financial Statements.

14/7/08

Date



Terence Gordon & Associates
34 Evelyn Road
Cockfosters
Barnet
HERTS
EN4 9JT

LONDON PROPERTY CONSTRUCTION LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2007

	<u>Note</u>	<u>2007</u> £	<u>2006</u> £
TURNOVER	2	44,260	43,592
Cost of Sales		(6,427)	(6,535)
<u>GROSS PROFIT</u>		<u>37,833</u>	<u>37,057</u>
Administrative Expenses		(9,748)	(16,512)
<u>OPERATING PROFIT</u>	3	<u>28,085</u>	<u>20,545</u>
Interest Payable and Similar Charges	4	(36,238)	(32,261)
<u>(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		<u>(8,153)</u>	<u>(11,716)</u>
Taxation		-	-
<u>(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</u>		<u>(8,153)</u>	<u>(11,716)</u>
<u>RETAINED PROFITS CARRIED FORWARD 1ST JANUARY 2007</u>		<u>515,129</u>	<u>526,845</u>
<u>RETAINED PROFITS CARRIED FORWARD 31ST DECEMBER 2007</u>		<u>506,976</u>	<u>515,129</u>

The Notes on Pages 7 to 11 form an integral part of these Financial Statements

LONDON PROPERTY CONSTRUCTION LIMITED**BALANCE SHEET****AS AT 31ST DECEMBER 2007**

	<u>Note</u>	<u>2007</u>		<u>2006</u>	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible Assets	5		687,919		668,151
Investments	6		230,265		230,265
			<u>918,184</u>		<u>918,416</u>
<u>CURRENT ASSETS</u>					
Debtors	7	54,693		36,417	
Cash at Bank & In Hand		19		25,272	
		<u>54,682</u>		<u>61,689</u>	
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	8	(178,820)		(16,876)	
<u>NET CURRENT ASSETS/(LIABILITIES)</u>			<u>(124,108)</u>		<u>44,813</u>
<u>CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</u>	9	(283,000)		(448,000)	
			<u>(407,108)</u>		<u>(403,187)</u>
<u>NET ASSETS</u>			<u>511,076</u>		<u>515,229</u>
<u>CAPITAL & RESERVES</u>					
Called Up Share Capital	10		100		100
Profit & Loss Account	11		506,976		515,129
<u>SHAREHOLDERS FUNDS (EQUITY INTEREST)</u>	12		<u>507,076</u>		<u>515,229</u>

The Notes on Page 7 to 11 form an integral part of these Financial Statements

LONDON PROPERTY CONSTRUCTION LIMITED

BALANCE SHEET (CONTINUED)

**DIRECTORS' STATEMENTS REQUIRED BY SECTION 249B(4)
FOR THE YEAR ENDED 31ST DECEMBER 2007**

In approving these Financial Statements as Directors of the Company we hereby confirm

- a) that for the year stated above the Company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985,
- b) that no notice has been deposited at the Registered Office of the Company pursuant to Section 249B(2) requesting that an Audit be conducted for the year ended 31st December 2007, and
- c) that we acknowledge our responsibilities for
 - 1 ensuring that the Company keeps accounting records which comply with Section 221, and
 - 2 preparing Financial Statements 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 year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to Financial Statements, so far as applicable to the Company

These Financial Statements are prepared in accordance with the Special Provisions of Part VII of the Companies Act 1985 relating to Small Companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002)

The Financial Statements were approved by the Board on 14th July 2008 and signed on its behalf by -

X  X

D. Tahernia
Director

The Notes on Pages 7 to 11 form an integral part of these Financial Statements.

LONDON PROPERTY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2007

1. ACCOUNTING POLICIES

1 1 Accounting Convention

The Financial Statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002)

1 2 Turnover

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

1 3 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

Plant & Machinery	-	25% reducing balance
Motor Vehicles	-	25% reducing balance

No Depreciation is provided in respect of Freehold Property

1 4 Investments

Fixed Asset Investments are stated at cost less provision of diminution in value

1 5 Stock & Work in Progress

Stocks are valued at the lower of cost and net realisable value

1 6 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 Directors consider that a liability to taxation is unlikely to materialise

2 TURNOVER

The total turnover of the Company for the year has been derived from its principal activity wholly undertaken in the UK

	<u>2007</u>	<u>2006</u>
3. <u>OPERATING PROFIT</u>		
Operating Profit is stated after charging Depreciation and other amounts written off Tangible Assets	£232	£309
	<hr/>	<hr/>

LONDON PROPERTY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2007

	<u>2007</u> <u>£</u>	<u>2006</u> <u>£</u>
4 <u>INTEREST PAYABLE AND SIMILAR CHARGES</u>		
On Loans and Overdrafts	36,238	32,261
	<u> </u>	<u> </u>

5. TANGIBLE FIXED ASSETS

	<u>Freehold Properties</u> <u>£</u>	<u>Plant & Machinery</u> <u>£</u>	<u>Motor Vehicles</u> <u>£</u>	<u>Total</u> <u>£</u>
<u>Cost</u>				
At 1st January 2007 & 31st December 2007	687,223	7,778	4,760	699,761
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Depreciation</u>				
At 1st January 2007	-	7,266	4,344	11,610
Charge for the year	-	128	104	232
As at 31st December 2007	-	7,394	4,448	11,842
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Net Book Value</u>				
At 31st December 2007	687,223	384	312	687,919
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st December 2006	687,223	512	416	688,151
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The Company's Freehold Properties are charged to the Bank as security for loan advances

LONDON PROPERTY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2007

6 FIXED ASSET INVESTMENTS

	<u>Other Unlisted Investments</u> £	<u>Total</u> £
<u>Cost</u>		
At 1st January 2007	230,265	230,265
Increase in funds allocated to JV and Lysekil Properties Limited	-	-
Loan Repayments made by Lysekil Properties Limited	-	-

At 31st December 2007	<u>230,265</u>	<u>230,265</u>
-----------------------	----------------	----------------

Net Book Values

At 31st December 2007	<u>230,265</u>	<u>230,265</u>
At 31st December 2006	<u>230,265</u>	<u>230,265</u>

	£	<u>Joint Venture With Lysekil Properties Ltd</u> £
Opening Balances	230,265	230,265
Repayment	-	-
Funding of Joint Venture	-	-
Closing Balances	<u>230,265</u>	<u>230,265</u>

	<u>2007</u> £	<u>2006</u> £
7 <u>DEBTORS</u>		
Trade Debtors	3,300	-
Prepayments & Accrued Income	-	504
Associated Company	51,393	35,913
	<u>54,698</u>	<u>36,417</u>

LONDON PROPERTY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2007

	<u>2007</u> <u>£</u>	<u>2006</u> <u>£</u>
8. <u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		
Bank Overdraft and Loans	175,593	-
Trade Creditors	208	-
Directors' Accounts	-	14,671
Accruals and Deferred Income	3,019	2,205
	<u>178,820</u>	<u>16,876</u>
9. <u>CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</u>		
Bank Loan (Secured)	<u>283,000</u>	<u>448,000</u>
10. <u>SHARE CAPITAL</u>		
Authorised:		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Allotted, Called Up and Fully Paid		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
11. <u>RESERVES</u>		
	<u>Profit & Loss</u>	
	<u>Account</u>	<u>Total</u>
	<u>£</u>	<u>£</u>
At 1st January 2007	515,129	526,845
Loss for the Year	(8,153)	(11,716)
At 31st December 2007	<u>506,976</u>	<u>515,129</u>
12 <u>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</u>		
Loss for the Year	(8,153)	(11,716)
Opening Shareholders' Funds	<u>515,229</u>	<u>526,945</u>
Closing Shareholders	<u>507,076</u>	<u>515,229</u>

LONDON PROPERTY CONSTRUCTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2007

13. RELATED PARTY TRANSACTIONS

Mr D Tahernia and Dr M J Tahernia are both Directors of the Company and the only Shareholders

14 CONTROLLING INTEREST

The controlling interest in the Company is Mr D Tahernia, who owns 99 out of the 100 shares

15 JOINT VENTURES

These Accounts do not include the results of the company's participation in Joint Ventures in the year. The omission results from the Board's inability to obtain Financial Statements in satisfactory form from those ventures. The responsibility of the financial affairs of the ventures was that the company's Joint Ventures Partners and action has been ongoing to secure proper compliance by those Partners

LONDON PROPERTY CONSTRUCTION LIMITED

TRADING AND PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2007

	£	<u>2007</u>	£	£	<u>2006</u>	£
<u>INCOME</u>						
Rental Income			44,260			43,592
<u>LESS: COST OF SALES</u>						
Direct Costs			6,427			6,535
<u>GROSS PROFIT</u>			<u>37,833</u>			<u>37,057</u>
<u>DEDUCT: OVERHEADS</u>						
Use of Premises	1,040			1,040		
Rates & Service Charges	1,775			3,676		
Insurance	773			877		
Repairs & Renewals	692			4,118		
Telephone	403			425		
Motor Expenses	734			796		
Travelling & Entertaining	-			154		
Life Assurance	-			143		
Accountancy Fees	1,940			1,850		
Bank Interest & Charges	2,207			4,392		
Bank Loan Interest	36,115			30,882		
General Expenses	80			111		
Depreciation	232			309		
			<u>45,991</u>			<u>48,773</u>
(Loss) before Taxation			<u>(8,153)</u>			<u>(11,716)</u>
Taxation			-			-
(Loss) after Taxation			<u>(8,153)</u>			<u>(11,716)</u>
Balance brought forward 1st January 2007			515,129			526,845
Balance carried forward 31st December 2007			<u><u>506,976</u></u>			<u><u>515,129</u></u>