


**Federal Estates Limited**  
Abbreviated financial statements  
For the year ended 31 August 2002

Grant Thornton 



Company No. 2937482

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## Independent auditors' report to the company pursuant to Section 247B of the Companies Act 1985

We have examined the abbreviated accounts which comprise the balance sheet and the related notes, together with the financial statements of the company for the year ended 31 August 2002 prepared under Section 226 of the Companies Act 1985.

### **Respective responsibilities of director and auditors**

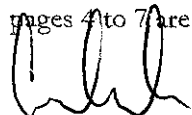
The director is responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

### **Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 4 to 7 are properly prepared in accordance with those provisions.



GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS

30 June 2003

## Principal accounting policies

### Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

### Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% straight line
Fixtures & Fittings	- 15% reducing balance

### Deferred taxation

Deferred tax is recognised in respect of 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, and gains on disposal 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;

provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

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 timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

## Balance sheet

	Note	2002 £	2001 £
<b>Fixed assets</b>	1		
Tangible assets		4,999,318	3,299,163
<b>Current assets</b>			
Debtors		38,183	19,813
Cash at bank and in hand		29,879	372
		68,062	20,185
<b>Creditors: amounts falling due within one year</b>		3,134,736	1,661,840
<b>Net current liabilities</b>		(3,066,674)	(1,641,655)
<b>Total assets less current liabilities</b>		1,932,644	1,657,508
<b>Creditors: amounts falling due after more than one year</b>		510,361	527,557
<b>Provisions for liabilities and charges</b>		11,700	9,800
		1,410,583	1,120,151
<b>Capital and reserves</b>			
Called-up equity share capital	2	100	100
Profit and Loss Account		1,410,483	1,120,051
<b>Shareholders' funds</b>		1,410,583	1,120,151

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved and signed by the director on 30 June 2003

E J Wykes



## Notes to the abbreviated financial statements

**1 Fixed assets**

	Tangible Assets £
Cost	
At 1 September 2001	3,500,557
Additions	1,798,437
At 31 August 2002	<u>5,298,994</u>
Depreciation	
At 1 September 2001	201,394
Charge for year	98,282
At 31 August 2002	<u>299,676</u>
Net book value	
At 31 August 2002	<u>4,999,318</u>
At 31 August 2001	<u>3,299,163</u>

**2 Share capital**

Authorised share capital:

	2002 £	2001 £
100 shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid:		
	2002 £	2001 £
Ordinary share capital	<u>100</u>	<u>100</u>