

WALTON DEVELOPMENTS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2002
COMPANY NUMBER:3368638



WALTON DEVELOPMENTS LIMITED

COMPANY INFORMATION

DIRECTORS	J C Walton Mrs J Walton
SECRETARY	Mrs J Walton
COMPANY NUMBER	3368638
REGISTERED OFFICE	Hartshill Business Park Shelton New Road Hartshill Stoke on Trent
ACCOUNTANTS	Bentley Jennison Chartered Accountants 5 Ridge House Ridge House Drive Festival Park Stoke on Trent ST1 5SJ

WALTON DEVELOPMENTS LIMITED

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WALTON DEVELOPMENTS LIMITED

DIRECTORS' REPORT
For the year ended 31 December 2002

The directors present their report and the financial statements for the year ended 31 December 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company is property rental.

DIRECTORS

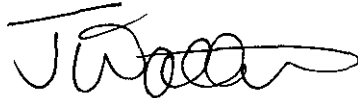
The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of £1 each	
	<u>2002</u>	<u>2001</u>
J C Walton	250	250
Mrs J Walton	250	250

The report of the directors has been 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 18 SEPTEMBER 2003 and signed on its behalf.

Mrs J Walton
Secretary

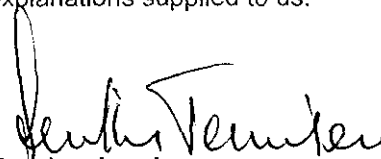


WALTON DEVELOPMENTS LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF WALTON DEVELOPMENTS LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2002 set out on pages 3 to 11 and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records of the company and from information and explanations supplied to us.



Bentley Jennison

Chartered Accountants

5 Ridge House
Ridge House Drive
Festival Park
Stoke on Trent
ST1 5SJ

25/9/03.

WALTON DEVELOPMENTS LIMITED**PROFIT AND LOSS ACCOUNT**
For the year ended 31 December 2002

	Note	2002 £	2001 £
TURNOVER	1	67,016	42,591
Administrative expenses		(25,566)	(22,195)
OPERATING PROFIT	2	41,450	20,396
Interest receivable		1,016	3,800
Interest payable		(6,963)	(8,978)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		35,503	15,218
TAX ON PROFIT ON ORDINARY ACTIVITIES	3	(7,444)	(2,013)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		28,059	13,205
DIVIDENDS		(34,000)	-
RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR	10	(5,941)	13,205

The notes on pages 7 to 11 form part of these financial statements.

WALTON DEVELOPMENTS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 31 December 2002

	2002 £	2001 £
PROFIT FOR THE FINANCIAL YEAR	28,059	13,205
Unrealised surplus on revaluation of properties	-	163,156
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	28,059	176,361

The notes on pages 7 to 11 form part of these financial statements.

WALTON DEVELOPMENTS LIMITED

BALANCE SHEET
As at 31 December 2002

	Note	£	2002	£	£	2001	£
FIXED ASSETS							
Tangible fixed assets	4			392,812			419,011
CURRENT ASSETS							
Debtors	5	13,925			3,932		
Cash at bank		10,854			100,526		
				<u>24,779</u>		<u>104,458</u>	
CREDITORS: amounts falling due within one year	6	(78,585)			(71,949)		
				<u>(53,806)</u>			<u>32,509</u>
NET CURRENT (LIABILITIES)/ASSETS							
TOTAL ASSETS LESS CURRENT LIABILITIES				339,006			451,520
CREDITORS: amounts falling due after more than one year	7			(103,211)			(210,134)
PROVISIONS FOR LIABILITIES AND CHARGES							
Deferred taxation	8			(350)			-
NET ASSETS				<u>235,445</u>			<u>241,386</u>
CAPITAL AND RESERVES							
Called up share capital	9			500			500
Revaluation reserve				163,156			163,156
Profit and loss account	10			71,789			77,730
SHAREHOLDERS' FUNDS				<u>235,445</u>			<u>241,386</u>

WALTON DEVELOPMENTS LIMITED

BALANCE SHEET
As at 31 December 2002

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2002 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The financial statements have been 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 *18 SEPTEMBER 2003* and signed on its behalf.

J C Walton
Director



Mrs J Walton
Director



The notes on pages 7 to 11 form part of these financial statements.

WALTON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2002

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The company has net current liabilities of £53,806, which includes directors loans totalling £59,152. The directors will only draw from the balances as and when sufficient funds become available.

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor Vehicles	-	25% reducing balance
Fixtures & Fittings	-	12.5% reducing balance

1.5 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for timing differences arising on revaluations of fixed assets which are not intended to be sold and gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

1.6 Investment properties

The company's investment in freehold land and buildings has been included in the balance sheet at open market value.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2002 £	2001 £
Depreciation of tangible fixed assets:		
- owned by the company	4,035	141
	<hr/>	<hr/>

During the year, no director received any emoluments (2001 - £nil).

WALTON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2002

3. TAXATION

	2002 £	2001 £
Analysis of tax charge in year		
Current tax (see note below)		
UK corporation tax on profits of the year	6,500	2,100
Adjustments in respect of prior periods	594	(87)
Total current tax	<u>7,094</u>	<u>2,013</u>
Deferred tax		
Origination and reversal of timing differences	350	-
Total deferred tax (see note 8)	<u>350</u>	<u>-</u>
Tax on profit on ordinary activities	<u><u>7,444</u></u>	<u><u>2,013</u></u>

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK, after allowing for disallowable items and capital allowances.

There were no factors that may affect future tax charges.

4. TANGIBLE FIXED ASSETS

	Freehold investment properties £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2002	418,027	-	1,396	419,423
Additions	-	20,863	-	20,863
Disposals	(43,027)	-	-	(43,027)
At 31 December 2002	<u>375,000</u>	<u>20,863</u>	<u>1,396</u>	<u>397,259</u>
Depreciation				
At 1 January 2002	-	-	412	412
Charge for the year	-	3,912	123	4,035
At 31 December 2002	<u>-</u>	<u>3,912</u>	<u>535</u>	<u>4,447</u>
Net book value				
At 31 December 2002	<u><u>375,000</u></u>	<u><u>16,951</u></u>	<u><u>861</u></u>	<u><u>392,812</u></u>
At 31 December 2001	<u><u>418,027</u></u>	<u><u>-</u></u>	<u><u>984</u></u>	<u><u>419,011</u></u>

WALTON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2002

4. TANGIBLE FIXED ASSETS (continued)

Freehold Investment Property:

The land and buildings at Hartshill Business Park were revalued during 2001 by Heywoods Chartered Surveyors, on an open market value basis. The original cost of these land and buildings was £211,844. The directors are not aware of any material change in value of the property and therefore the valuation has not been updated in the year.

5. DEBTORS

	2002 £	2001 £
Due within one year		
Trade debtors	11,218	944
Other debtors	2,707	2,988
	<u>13,925</u>	<u>3,932</u>

6. CREDITORS:
Amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts	9,000	9,000
Trade creditors	79	3,486
Corporation tax	6,500	2,100
Other creditors	63,006	57,363
	<u>78,585</u>	<u>71,949</u>

The bank borrowing is secured.

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

	2002 £	2001 £
Bank loans	103,211	110,134
Other creditors	-	100,000
	<u>103,211</u>	<u>210,134</u>

WALTON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2002

7. CREDITORS:

Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	2002 £	2001 £
Repayable by instalments	<u>58,211</u>	<u>65,134</u>

The bank borrowing is secured.

8. DEFERRED TAXATION

	2002 £	2001 £
At 1 January 2002	-	-
Charge for the year	350	-
	<u>350</u>	<u>-</u>
At 31 December 2002	<u>350</u>	<u>-</u>

The deferred tax provision is made up as follows:

	2002 £	2001 £
Accelerated capital allowances	350	-
	<u>350</u>	<u>-</u>

9. SHARE CAPITAL

	2002 £	2001 £
Authorised		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
500 Ordinary shares of £1 each	<u>500</u>	<u>500</u>

10. RESERVES

	£
Profit and loss account	
At 1 January 2002	77,730
Loss retained for the year	(5,941)
	<u>71,789</u>
At 31 December 2002	<u>71,789</u>

WALTON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2002

11. RELATED PARTY TRANSACTIONS

The following loans from directors were outstanding during the year:

	2002	2001
	£	£
Mr J C Walton	38,627	140,992
Mrs J Walton	20,525	-

The directors also held the ordinary share capital in Walton Builders Limited, a company registered in England and Wales. The company ceased to trade during the year.

During the year, Walton Builders Limited, occupied one unit at Hartshill Business Park free of charge. The commercial rent payable on the unit during the period occupied would have been £750.

The only other transaction with this company was the payment of £13,658 which relates to work done on the investment properties by Walton Builders Limited during 2001.

12. CONTROLLING PARTY

The company is controlled by the directors who own 100% of the issued ordinary share capital. Details of the individual shareholdings are shown in the directors report.

WALTON DEVELOPMENTS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2002

	Page	2002 £	2001 £
TURNOVER	13	67,016	42,591
Less: OVERHEADS			
Administration expenses	13	(25,566)	(22,195)
OPERATING PROFIT		41,450	20,396
Interest receivable	13	1,016	3,800
Interest payable	13	(6,963)	(8,978)
PROFIT FOR THE YEAR		35,503	15,218

WALTON DEVELOPMENTS LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS

For the year ended 31 December 2002

	2002 £	2001 £
TURNOVER		
Turnover	<u>67,016</u>	<u>42,591</u>
	2002 £	2001 £
ADMINISTRATION EXPENSES		
Rates	2,044	1,248
Light, heat, power and water	2,879	3,139
Insurances	2,428	2,072
Telephone and fax	1,277	-
Commissions payable	4,866	2,882
Motor running costs	3,639	-
Repairs and maintenance	2,928	10,095
Printing and stationery	192	-
Advertising	140	35
Legal and professional	-	710
Accountancy	2,306	1,763
Sundry expenses	920	100
Bank charges	-	10
Depreciation - motor vehicles	3,912	-
Depreciation - plant and machinery	123	141
Profit/loss on sale of tangible assets	(2,088)	-
	<u>25,566</u>	<u>22,195</u>
	2002 £	2001 £
INTEREST RECEIVABLE		
Bank interest receivable	1,008	3,800
Other interest receivable	8	-
	<u>1,016</u>	<u>3,800</u>
	2002 £	2001 £
INTEREST PAYABLE		
Bank overdraft interest payable	3	5
Bank loan interest payable	6,960	8,973
	<u>6,963</u>	<u>8,978</u>