

COMPANY REGISTRATION NUMBER 3637344

GRANTS RESIDENTIAL LETTINGS LIMITED
FINANCIAL STATEMENTS
FOR
31 DECEMBER 2002



GRANTS RESIDENTIAL LETTINGS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

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GRANTS RESIDENTIAL LETTINGS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

N. Jones
Mrs W. Hutton

COMPANY SECRETARY

N. Jones

REGISTERED OFFICE

60 Church Street
Weybridge
Surrey
KT13 8DL

ACCOUNTANTS

Menzies
Chartered Accountants
Neville House
55 Eden Street
Kingston upon Thames
Surrey
KT1 1BW

BANKERS

Barclays Bank Plc
71 High Street
Staines
Middlesex
TW18 4PS

GRANTS RESIDENTIAL LETTINGS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2002

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of managing agents for residential properties.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2002	At 1 January 2002
N. Jones	—	—
Mrs W. Hutton	33	33

The company is a 67% owned subsidiary of Grants Residential Limited and the interests of the group directors are disclosed in the financial statements of the parent company.

SMALL COMPANY PROVISIONS

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

Registered office:
60 Church Street
Weybridge
Surrey
KT13 8DL

Signed by order of the directors



N. Jones
Company Secretary

Approved by the directors on 4 August 2003

GRANTS RESIDENTIAL LETTINGS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2002

	Note	2002 £	2001 £
TURNOVER		147,168	137,371
Cost of sales		222	176
GROSS PROFIT		146,946	137,195
Distribution costs		2,040	384
Administrative expenses		126,723	125,201
OPERATING PROFIT	2	18,183	11,610
Interest payable		40	1,510
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		18,143	10,100
Tax on profit on ordinary activities		16	—
RETAINED PROFIT FOR THE FINANCIAL YEAR		18,127	10,100

The notes on pages 5 to 7 form part of these financial statements.

GRANTS RESIDENTIAL LETTINGS LIMITED

BALANCE SHEET

31 DECEMBER 2002

	Note	2002 £	£	2001 £	£
FIXED ASSETS					
Tangible assets	4		1,421		13,059
CURRENT ASSETS					
Debtors	5	14,646		10,002	
Cash at bank		8,084		21	
		<u>22,730</u>		<u>10,023</u>	
CREDITORS: Amounts falling due within one year	6	<u>22,714</u>		<u>29,737</u>	
NET CURRENT ASSETS/(LIABILITIES)			16		(19,714)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,437		(6,655)
CREDITORS: Amounts falling due after more than one year	7		—		10,035
			<u>1,437</u>		<u>(16,690)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	10		100		100
Profit and loss account	11		1,337		(16,790)
SHAREHOLDERS' FUNDS/(DEFICIENCY)			<u>1,437</u>		<u>(16,690)</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

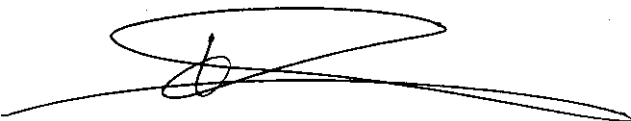
The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

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

These financial statements were approved by the directors on the 4 August 2003 and are signed on their behalf by:

N. Jones



The notes on pages 5 to 7 form part of these financial statements.

GRANTS RESIDENTIAL LETTINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

1. 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).

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

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:

Plant & Machinery	- 25% net book value
Fixtures & Fittings	- 25% net book value
Motor Vehicles	- 25% net book value
Furniture & equipment-	25% net book value

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2002	2001
	£	£
Directors' emoluments	36,825	38,026
Depreciation of owned fixed assets	1,827	359
Depreciation of assets held under hire purchase agreements	-	3,994
Profit on disposal of fixed assets	<u>(1,049)</u>	<u>-</u>

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2002	2001
	£	£
Aggregate emoluments	<u>5,325</u>	<u>5,325</u>

GRANTS RESIDENTIAL LETTINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc. £
COST	
At 1 January 2002	23,258
Additions	817
Disposals	(21,300)
At 31 December 2002	<u>2,775</u>
DEPRECIATION	
At 1 January 2002	10,199
Charge for the year	1,827
On disposals	(10,672)
At 31 December 2002	<u>1,354</u>
NET BOOK VALUE	
At 31 December 2002	<u>1,421</u>
At 31 December 2001	<u>13,059</u>

Hire purchase agreements

Included within the net book value of £1,421 is £Nil (2001 - £11,981) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £Nil (2001 - £3,994).

5. DEBTORS

	2002 £	2001 £
Amounts owed by group undertakings	3,798	4,257
Other debtors	10,848	5,745
	<u>14,646</u>	<u>10,002</u>

6. CREDITORS: Amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts	—	128
Trade creditors	4,664	3,570
Amounts owed to group undertakings	6,882	1,652
Corporation tax	16	—
Other taxation and social security	6,004	5,449
Hire purchase agreements	—	3,953
Other creditors	5,148	14,985
	<u>22,714</u>	<u>29,737</u>

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

	2002 £	2001 £
Hire purchase agreements	—	10,035

GRANTS RESIDENTIAL LETTINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2002

8. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2002 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2002 £	2001 £
Operating leases which expire:		
Within 2 to 5 years	<u>6,666</u>	<u>6,666</u>

9. RELATED PARTY TRANSACTIONS

The company was controlled throughout the year by Grants Residential Limited by virtue of the fact that they control 67% of the company's ordinary share capital.

During the year payments were made by Grants Residential Limited, the holding company, on behalf of Grants Residential Lettings Limited of £8,691 (2001 - £29,874). Grants Residential Lettings Limited also made payments on behalf of Grants Residential Limited of £7,447 (2001 - £14,934). At the year end, Grants Residential Lettings Limited owed Grants Residential Limited £nil (2001 - £1,652).

Also during the year, Grants Residential Lettings Limited made payments on behalf of Grants Residential (Addlestone) Limited, another subsidiary of Grants Residential Limited, of £141 (2001 - £4,698). At the year end, Grants Residential (Addlestone) Limited owed Grants Residential Lettings Limited £3,798 (2001 - £3,657).

Grants Residential Lettings Limited also made a payment of £nil (2001 - £600) on behalf of Subject To Planning Limited. At 31 December 2002 this company was 60% owned by N. Jones, a director of Grants Residential Lettings Limited. £nil (2001 - £600) was still outstanding at the year end.

10. SHARE CAPITAL

Authorised share capital:

	2002 £	2001 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2002 No	£	2001 No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

11. PROFIT AND LOSS ACCOUNT

	2002 £	2001 £
Balance brought forward	(16,790)	(26,890)
Retained profit for the financial year	<u>18,127</u>	<u>10,100</u>
Balance carried forward	<u>1,337</u>	<u>(16,790)</u>

12. ULTIMATE PARENT COMPANY

The directors consider the ultimate parent undertaking to be Grants Residential Limited, a company which is registered in England.