

GRANTS RESIDENTIAL LETTINGS LIMITED

REGISTERED NUMBER : 3637344

REPORT AND FINANCIAL STATEMENTS

PERIOD FROM 1 OCTOBER 1999 TO 31 DECEMBER 2000

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GRANTS RESIDENTIAL LETTINGS LIMITED

DIRECTORS AND ADVISORS

DIRECTORS

N. Jones
I. Rees
W. Hutton

COMPANY SECRETARY

N. Jones

REGISTERED OFFICE

60 Church Street
Weybridge
Surrey
KT13 8DL

ACCOUNTANTS

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

GRANTS RESIDENTIAL LETTINGS LIMITED

REPORT OF THE DIRECTORS

FINANCIAL STATEMENTS

The directors submit their report and the financial statements for the period from 1 October 1999 to 31 December 2000.

PRINCIPAL ACTIVITY

The company's principal activity during the period was that of letting residential properties.

DIRECTORS

The directors in office at 31 December 2000 are listed on page 2, all of whom served on the Board throughout the period except for W. Hutton who was appointed on 29 November 1999 and M. Jones who resigned on 15 February 2000.

In accordance with the company's articles of association, N. Jones retires by rotation and being eligible has offered himself for re-appointment at the forthcoming Annual General Meeting.

DIRECTORS' INTERESTS

The directors' interests in the share capital of the company at 1 October 1999 and at 31 December 2000 as recorded in the register maintained by the company in accordance with the provisions of the Companies Act 1985, were as follows:

	31 December 2000	1 October 1999
Ordinary shares of £1 each		
N. Jones	-	-
I. Rees	-	-
M. Jones (resigned 15 February 2000)	-	-
W. Hutton (appointed 29 November 1999)	33	-
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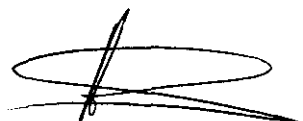
The company was a wholly owned subsidiary of Grants Residential Limited until 20 September 2000, when it became a 67% subsidiary. The interests of the directors who are the directors of the parent undertaking are disclosed in the financial statements of that company.

AUDITORS

By virtue of Section 388A of the Companies Act 1985 the company is not required to appoint auditors.

The above 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



N. Jones
Secretary

14 June 2001

GRANTS RESIDENTIAL LETTINGS LIMITED**PROFIT AND LOSS ACCOUNT****PERIOD FROM 1 OCTOBER 1999 TO 31 DECEMBER 2000**

		2000	1999
	Note	£	£
TURNOVER	2	139,653	30,864
Cost of sales		409	2,292
GROSS PROFIT		139,244	28,572
Administrative and other operating costs		159,765	34,941
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(20,521)	(6,369)
Tax on (loss) on ordinary activities		-	-
(LOSS) FOR THE FINANCIAL PERIOD	9	(20,521)	(6,369)

The notes on pages 6 to 9 form part of these financial statements.

GRANTS RESIDENTIAL LETTINGS LIMITED

BALANCE SHEET

31 DECEMBER 2000

		2000		1999	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	3		17,412		1,917
CURRENT ASSETS					
Debtors	4	3,588		3,523	
Cash at bank and in hand		142		25,582	
		3,730		29,105	
CREDITORS: amounts falling due within one year	5	33,944		37,291	
NET CURRENT (LIABILITIES)			(30,214)		(8,186)
TOTAL ASSETS LESS CURRENT LIABILITIES			(12,802)		(6,269)
CREDITORS: amounts falling due after more than one year	6		13,988		-
			(26,790)		(6,269)
CAPITAL AND RESERVES					
Called up share capital	8		100		100
Profit and loss account	9		(26,890)		(6,369)
			(26,790)		(6,269)

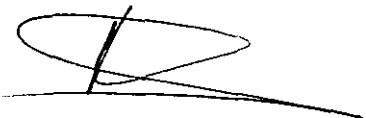
For the period ended 31 December 2000 the company was entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 and no notice has been deposited under Section 249B(2). The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 and preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2000 and of its loss for the period then ended in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company.

The financial statements have been prepared on the basis of the special exemptions applicable to small companies, conferred by Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000.)

The financial statements were approved by the Board of Directors on 14 June 2001.

DIRECTOR

N. Jones



The notes on pages 6 to 9 form part of these financial statements.

GRANTS RESIDENTIAL LETTINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 OCTOBER 1999 TO 31 DECEMBER 2000

1 ACCOUNTING POLICIES

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

Accounting convention

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and under the historical cost convention.

Turnover

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

Depreciation

Depreciation is charged on the following bases to reduce the cost of the company's tangible fixed assets to their net realisable values over their estimated useful lives at the following rates:

Plant and machinery	25% net book value
Motor vehicles	25% net book value
Furniture and equipment	25% net book value

2 TURNOVER AND (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and (loss) on ordinary activities before taxation is attributable to the principal activity of the company.

The (loss) is stated after charging:

	2000	1999
	£	£
Depreciation	5,805	41
Aggregate directors' emoluments	41,436	-

The company's turnover and (loss) has not been analysed by class of business.

No corporation tax charge arises upon the results for the period.

GRANTS RESIDENTIAL LETTINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 OCTOBER 1999 TO 31 DECEMBER 2000

3 TANGIBLE FIXED ASSETS

	Plant & machinery
	£
COST	
At 1 October 1999	1,958
Additions	21,300
At 31 December 2000	<u>23,258</u>
DEPRECIATION	
At 1 October 1999	41
Charge for the period	5,805
At 31 December 2000	<u>5,846</u>
NET BOOK VALUE	
At 30 September 1999	<u>1,917</u>
At 31 December 2000	<u>17,412</u>

Financing

Details of tangible fixed assets held under hire purchase contracts, which are included above, are as follows:

	2000	1999
	£	£
Net book value at 31 December 2000	<u>15,975</u>	-
Depreciation charge for the period	<u>5,325</u>	-

4 DEBTORS

	2000	1999
	£	£
Trade debtors	2,118	1,110
Others	1,470	2,413
	<u>3,588</u>	<u>3,523</u>

All amounts included above are considered receivable within one year of the balance sheet date.

GRANTS RESIDENTIAL LETTINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 OCTOBER 1999 TO 31 DECEMBER 2000

5 CREDITORS: amounts falling due within one year

	2000	1999
	£	£
Trade creditors	14,207	17,503
Amounts owed to group undertakings	4,078	2,283
Social security and other taxes	3,793	1,749
Others	11,866	15,756
	<u>33,944</u>	<u>37,291</u>

6 CREDITORS: amounts falling due after more than one year

	2000	1999
	£	£
Others	<u>13,988</u>	<u>-</u>

7 HIRE PURCHASE CONTRACTS

Net obligations under hire purchase contracts:

	2000	1999
	£	£
Within one year	3,023	-
Between two to five years	13,988	-
	<u>17,011</u>	<u>-</u>

The obligations under hire purchase contracts are repayable by monthly instalments.

8 CALLED UP SHARE CAPITAL

	2000	1999
	£	£
Authorised		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

GRANTS RESIDENTIAL LETTINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 1 OCTOBER 1999 TO 31 DECEMBER 2000

9 PROFIT AND LOSS ACCOUNT

	2000	1999
	£	£
At 1 October 1999	(6,369)	-
(Loss) for the financial period	(20,521)	(6,369)
At 31 December 2000	<u>(26,890)</u>	<u>(6,369)</u>

10 RELATED PARTY TRANSACTIONS AND CONTROLLING PARTIES

The company was controlled by I. Rees, N. Jones, and M. Jones (resigned as a director on 15 February 2000) from 1 October 1999 to 19 September 2000, by virtue of the fact that they are the company's directors and shareholders in Grants Residential Limited, the ultimate holding company.

From 20 September 2000 the company was controlled by N. Jones, I. Rees and W. Hutton by virtue of the fact that they are the company's directors.

During the year Grants Residential Limited sold 33 shares in Grants Residential Lettings Limited to W. Hutton, a director of the company.

During the year payments were made by Grants Residential Limited, the holding company, on behalf of Grants Residential Lettings Limited of £63,996 (1999 - £12,467). Grants Residential Lettings Limited also made payments on behalf of Grants Residential Limited of £62,171 (1999 - £10,215).

11 ULTIMATE HOLDING COMPANY

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