

Company Registration No. 3651131 (England and Wales)

DEANMANOR LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003



DEANMANOR LIMITED

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DEANMANOR LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2003

The directors present their report and financial statements for the year ended 31 March 2003.

Principal activities and review of the business

The company did not trade in the year and the directors are considering the future business opportunities of the company.

Results and dividends

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

Directors

The following directors have held office since 1 April 2002:

P J Thompson
J A Samuels

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 March 2003	1 April 2002
P J Thompson	-	-
J A Samuels	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Gordon Leighton be reappointed as auditors of the company will be put to the Annual General Meeting.


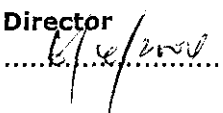
Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board


.....
P J Thompson
Director

.....

DEANMANOR LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DEANMANOR LIMITED

We have audited the financial statements of Deanmanor Limited on pages 4 to 12 for the year ended 31 March 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

DEANMANOR LIMITED

**INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE SHAREHOLDERS OF DEANMANOR LIMITED**

Fundamental uncertainty

In forming our opinion, we have considered the adequacy of the disclosure made in note 1 of the financial statements concerning the future of the company. In view of the significance of this fundamental uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

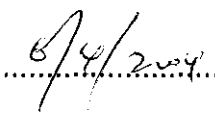
Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Gordon Leighton

Chartered Accountants
Registered Auditor



.....6/4/2004.....

3rd Floor, 20-23 Greville Street
London
EC1N 8SS

DEANMANOR LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003**

	Notes	2003 £	2002 £
Turnover	2		
Continuing operations		-	-
Discontinued activities		-	179,133
		<u>-</u>	<u>179,133</u>
Cost of sales		-	(219,530)
		<u>-</u>	<u>(219,530)</u>
Gross loss		-	(40,397)
Administrative expenses		(10,675)	(38,505)
		<u>(10,675)</u>	<u>(38,505)</u>
Operating loss	4		
Continuing operations		(10,675)	-
Discontinued activities		-	(78,902)
		<u>(10,675)</u>	<u>(78,902)</u>
Interest payable and similar charges	5	-	(9,714)
		<u>-</u>	<u>(9,714)</u>
Loss on ordinary activities before taxation		(10,675)	(88,616)
Tax on loss on ordinary activities	6	-	5,624
		<u>-</u>	<u>5,624</u>
Loss on ordinary activities after taxation	12	(10,675)	(82,992)
		<u><u>(10,675)</u></u>	<u><u>(82,992)</u></u>

There are no recognised gains and losses other than those passing through the profit and loss account.

DEANMANOR LIMITED

**BALANCE SHEET
AS AT 31 MARCH 2003**

		2003		2002	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		64,046		74,562
Current assets					
Debtors: amounts falling due within one year	8	612		56,966	
Cash at bank and in hand		626		1,065	
		<u>1,238</u>		<u>58,031</u>	
Creditors: amounts falling due within one year	9	<u>(48,671)</u>		<u>(47,991)</u>	
Net current (liabilities)/assets			<u>(47,433)</u>		<u>10,040</u>
Total assets less current liabilities			16,613		84,602
Creditors: amounts falling due after more than one year	10		<u>(203,575)</u>		<u>(260,889)</u>
			<u>(186,962)</u>		<u>(176,287)</u>
Capital and reserves					
Called up share capital	11		2		2
Profit and loss account	12		<u>(186,964)</u>		<u>(176,289)</u>
Shareholders' funds - equity interests	13		<u>(186,962)</u>		<u>(176,287)</u>

The financial statements were approved by the Board on 6/4/2004


P.J. Thompson
Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company's major creditors have confirmed that they will not call for payment of amounts due if this would jeopardise the company's financial position. For this reason the directors continue to adopt the going concern basis in the financial statements.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group. The company is included in the financial statements of Samson Properties plc.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	10% straight line
Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	15% reducing balance

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

DEANMANOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003

3 Cost of sales and net operating expenses

	2003		2002		
	Continuing	Discontin-	Total	Continuing	Total
	£	ed	£	£	£
		£			
Cost of sales	-	-	-	-	219,530
Administrative expenses	10,675	-	10,675	-	38,505
	<u>10,675</u>	<u>-</u>	<u>10,675</u>	<u>-</u>	<u>258,035</u>
					<u>258,035</u>

4 Operating loss

	2003	2002
	£	£
Operating loss is stated after charging:		
Depreciation of tangible assets	9,236	26,758
Loss on disposal of tangible assets	343	24,330
Auditors' remuneration	750	3,000
and after crediting:		
Profit on disposal of intangible assets	-	(1)
	<u>-</u>	<u>(1)</u>

5 Interest payable

	2003	2002
	£	£
Hire purchase interest	-	9,714
	<u>-</u>	<u>9,714</u>

DEANMANOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003

6 Taxation	2003 £	2002 £
Domestic current year tax		
Receipt in respect of group relief	-	(5,624)
Current tax charge	-	(5,624)
Factors affecting the tax charge for the year		
Loss on ordinary activities before taxation	(10,675)	(88,616)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2002: 20.00%)	(2,028)	(17,723)
Effects of:		
Non deductible expenses	-	6,871
Depreciation add back	1,820	5,352
Capital allowances	-	(124)
Other tax adjustments	208	-
	2,028	12,099
Current tax charge	-	(5,624)

On the basis of these financial statements no provision has been made for corporation tax.

DEANMANOR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003**

7 Tangible fixed assets

	Land and buildings Leasehold	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2002	90,710	1,770	92,480
Disposals	-	(1,770)	(1,770)
At 31 March 2003	90,710	-	90,710
Depreciation			
At 1 April 2002	17,428	490	17,918
On disposals	-	(490)	(490)
Charge for the year	9,236	-	9,236
At 31 March 2003	26,664	-	26,664
Net book value			
At 31 March 2003	64,046	-	64,046
At 31 March 2002	73,282	1,280	74,562

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery
	£
Net book values	
At 31 March 2003	-
At 31 March 2002	1,280
Depreciation charge for the year	
31 March 2003	-
31 March 2002	490

8 Debtors

	2003	2002
	£	£
Other debtors	612	56,966

DEANMANOR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003**

9 Creditors: amounts falling due within one year	2003	2002
	£	£
Net obligations under hire purchase contracts	-	589
Trade creditors	-	25
Taxes and social security costs	-	3,403
Other creditors	44,921	40,475
Accruals and deferred income	3,750	3,499
	<u>48,671</u>	<u>47,991</u>
10 Creditors: amounts falling due after more than one year	2003	2002
	£	£
Other loans	203,575	260,541
Net obligations under hire purchase contracts	-	348
	<u>203,575</u>	<u>260,889</u>
Analysis of loans		
Wholly repayable within five years	210,825	267,791
	<u>210,825</u>	<u>267,791</u>
Included in current liabilities	(7,250)	(7,250)
	<u>203,575</u>	<u>260,541</u>
Loan maturity analysis		
In more than two years but not more than five years	203,575	260,541
	<u>203,575</u>	<u>260,541</u>
Net obligations under hire purchase contracts		
Repayable within one year	-	788
Repayable between one and five years	-	460
	<u>-</u>	<u>1,248</u>
Finance charges and interest allocated to future accounting periods	-	(311)
	<u>-</u>	<u>937</u>
Included in liabilities falling due within one year	-	(589)
	<u>-</u>	<u>348</u>

DEANMANOR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003**

11 Share capital	2003	2002
	£	£
Authorised		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
12 Statement of movements on profit and loss account		Profit and loss account £
Balance at 1 April 2002		(176,289)
Retained loss for the year		<u>(10,675)</u>
Balance at 31 March 2003		<u>(186,964)</u>
13 Reconciliation of movements in shareholders' funds	2003	2002
	£	£
Loss for the financial year	(10,675)	(82,992)
Opening shareholders' funds	<u>(176,287)</u>	<u>(93,295)</u>
Closing shareholders' funds	<u>(186,962)</u>	<u>(176,287)</u>

DEANMANOR LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003****14 Employees****Number of employees**

The average monthly number of employees (including directors) during the year was:

	2003 Number	2002 Number
Administration	-	4
Instructors, trainers, bar and reception	-	16
	-	20

Employment costs

	£	£
Wages and salaries	-	85,101
Social security costs	-	4,259
	-	89,360

15 Control

The ultimate parent company is Samson Properties plc, a company registered in England and Wales and the group accounts are filed at the Companies House.

16 Related party transactions

The balance due to Samson Properties plc, the parent company, at the year end was £23,240 (2002: £21,225).

The balance due to Samson Properties (Lexham Mews) Limited, a group company, at the year end was £203,575 (2002: £260,541).

The balance due to Samson Properties Directors Pension Fund at the year end was £7,250 (2002: £7,250). Rent payable to the Pension Fund in the year amounted to £nil (2002: £12,000). The transactions were in the ordinary course of business and at arm's length.