

DEEPPDENE SCHOOLS LIMITED

COMPANY NUMBER: 3887554

ACCOUNTS: 31 July 2002

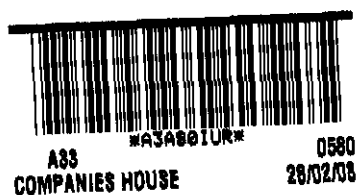
DIRECTORS: Mrs.L.V.Clark-Darby
Mrs.N.K.Gane
J.I.Gane

SECRETARY: S.H.Ball

REGISTERED OFFICE: 195 New Church Road
Hove
BN3 4ED

ACCOUNTANTS: Tidmarsh & Co.
Wallace House
45 Portland Road
Hove
BN3 5DQ

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DEEPDENE SCHOOLS LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the accounts of the company for the year ended 31 July 2002.

REVIEW OF THE BUSINESS

The principal activity of the company continued to be a Nursery School and Pre-prep.

DIRECTORS

The directors, set out below, have held office during the whole of the period ended 31 July 2002, unless otherwise stated. The interests, all of which were beneficial, of the directors holding office on 31 July 2002 in the shares of the company, according to the register of directors' interests, were as shown below:-

<u>Director's name</u>	<u>Ordinary shares</u>	
	<u>1 August 2001</u>	<u>31 July 2002</u>
Mrs. L.V.Clark-Darby	40	40
Mrs.N.K.Gane	60	60
J.I.Gane	0	0

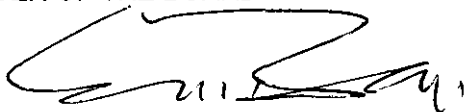
Mrs. N.K.Gane retires at the annual general meeting and being eligible, offers herself for re-election.

AUDITORS

The directors have taken advantage of s.249A(1) of the Companies Act 1985, not to have the accounts audited.

The directors have prepared this report in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD



S.H.BALL
Secretary

195 New Church Road
Hove
BN3 4ED

13 January, 2003

DEEPPDENE SCHOOLS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
		£	£
TURNOVER		550328	528940
Cost of sales		0	0
		-----	-----
GROSS PROFIT		550328	528940
Distribution costs		0	0
Administrative expenses		-519576	-474422
Other operating income		927	426
		-----	-----
OPERATIVE PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	31679 -	54944
Taxation on profit on ordinary activities	4	-5633	-10233
		-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR		£ 26046 =====	£ 44711 =====
Turnover - continuing operations		£ 550328	£ 528940
Operating profit - continuing operations		£ 26046	£ 44711

The company has no recognized profits or losses other than the profit for the year

DEEPPDENE SCHOOLS LIMITED

BALANCE SHEET AT 31 JULY 2002

	<u>Notes</u>	<u>2002</u> £	<u>2001</u> £
FIXED ASSETS			
Tangible assets	5	84960	92474
Intangible assets	6	120000	120000
		-----	-----
		204960	212474
		-----	-----
CURRENT ASSETS			
Debtors	7	18320	10172
Cash at bank		520	5976
		-----	-----
		18840	16148
		-----	-----
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	8	-111775	-94060
		-----	-----
NET CURRENT LIABILITIES		-92935	-77912
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		112025	134562
CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	9	-29680	-78263
		-----	-----
NET ASSETS		£ 82345	£ 56299
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account	11	82245	56199
		-----	-----
		£ 82345	£ 56299
		=====	=====

The exemption conferred by section 249A(1) not to have these accounts audited applies to the company and the directors confirm that no notice has been deposited under s.249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for ensuring that:

- the company keeps accounting records which comply with s.221 of the Companies Act 1985, and
- the accounts give a true and fair view of the state of affairs of the company as at 31 July 2002 and of its profit for the period then ended in accordance with the requirements of s.226 and which otherwise comply with the requirements of the Companies Act 1985 relating to the accounts, so far as applicable to the company.

The directors have taken advantage of the exemptions conferred by s.246 of the Companies Act 1985 on the basis that the company qualifies as a small company, because turnover is less than £1.0m and gross balance sheet assets are less than £1.4m.

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

Approved by the Board on 13 January 2003 (and signed on its behalf)

Mrs.L.V.Clark-Darby, Director

Mrs.N.K.Gane, Director

L.V. Clark-Darby

N.K. Gane

DEEPPDENE SCHOOLS LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2002

	<u>2002</u>	<u>2001</u>
	£	£
Net cash flow from operating activities		
Profit before taxation	31679	54944
Depreciation	7680	9557
Increase in debtors	-8148	-1707
Increase in creditors	6032	280
	-----	-----
	37243	63074
Returns on investments:		
Dividend paid	0	0
	-----	-----
	37243	63074
Taxation:		
Corporation tax paid	-10006	0
	-----	-----
	27237	63074
Investing activities:		
Payments to acquire tangible fixed assets	-166	-788
Receipts from sales of tangible fixed assets	0	0
	-----	-----
	27071	62286
Financing:		
Issue of shares	0	0
Loans repaid	-48583	-53241
	-----	-----
Movement in cash balances	£ -21512	£ 9045
	=====	=====
Represented by:		
Decrease in bank overdraft	-16056	3496
Increase in cash at bank and in hand	-5456	5549
	-----	-----
	£ -21512	£ 9045
	=====	=====
Reconciliation to net debt:		
Net debt as at 1 August 2001	120311	
Loans repaid	-48583	
Movement in cash balances	21512	

Net debt as at 31 July 2002	£ 93240	
	=====	

DEEPDENE SCHOOLS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2002

1. ACCOUNTING POLICIES

(a) Basis of preparation of accounts

The accounts are prepared under the historical cost convention.

(b) Turnover

Turnover represents the amounts invoiced to customers, excluding VAT.

(c) Depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives, on a reducing balance basis.

(d) Taxation

The charge for taxation is based on the profit for the year, at current rates of tax, and takes into account deferred taxation on all timing differences between the treatment of certain items for accounts purposes and their treatment for taxation purposes, because the directors are unable to foresee with reasonable certainty that such timing differences will not reverse.

(e) Leases

Operating leases: Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

2. TURNOVER

The turnover and pre-tax profit are attributable to the principal activity, a Nursery School and Pre-prep.

The whole of the turnover is earned in the U.K.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>2002</u>	<u>2001</u>
	£	£
The profit on ordinary activities before taxation is stated after charging the following:		
Depreciation of fixed assets	7680	9557
Emoluments of directors - management services	58108	51206
Rent of school - operating lease	19285	16330
Interest payable	2976	4038
	=====	=====

DEEPPDENE SCHOOLS LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2002

4. TAXATION

	<u>2002</u>	<u>2001</u>
Based on the profit for the year:		
UK corporation tax at 19%	£ 5633 =====	£ 10233 =====

5. TANGIBLE FIXED ASSETS

	<u>Leasehold property</u>	<u>Fixtures & equipment</u>	<u>Total</u>
	£	£	£
COST			
At 1 August 2001	54243	50788	105031
Additions	0	166	166
Disposals	0	0	0
	-----	-----	-----
At 31 July 2002	54243 =====	50954 =====	105197 =====
ACCUMULATED DEPRECIATION			
At 1 August 2001	0	12557	12557
Charge for the period	0	7680	7680
Eliminated on disposal	0	0	0
	-----	-----	-----
At 31 July 2002	0 =====	20237 =====	20237 =====
NET BOOK VALUES			
At 31 July 2002	54243 =====	30717 =====	84960 =====
	54243 =====	38231 =====	92474 =====
Depreciation rates	0%	20%	

6. INTANGIBLE FIXED ASSETS

Purchased goodwill	£ 120000 =====	£ 120000 =====
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DEEPPDENE SCHOOLS LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2002

7. DEBTORS

	<u>2002</u>		<u>2001</u>
	£		£
DUE WITHIN ONE YEAR			
Trade debtors	18320		1482
Other debtors and prepayments	0		8690
	-----		-----
£	18320	£	10172
	=====		=====

8. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2002</u>		<u>2001</u>
	£		£
Bank overdraft (see note 9)	18080		2024
Bank loan (see note 9)	9000		8000
Trade creditors	10138		9050
PAYE	6863		6388
Corporation tax	5854		10227
Loan	40000		40000
Other creditors and accruals	21840		18371
	-----		-----
£	111775	£	94060
	=====		=====

9. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>2002</u>		<u>2001</u>
	£		£
Loan	0		40000
Bank loan	14190		23012
Directors' loan account	15490		15251
	-----		-----
£	29680	£	78263
	=====		=====

The directors' loan is unsecured, interest of £1000 per annum is payable and the loan is repayable after the bank loan is repaid.

The bank loan and overdraft are secured by a fixed and floating charge over the assets of the company.

DEEPPDENE SCHOOLS LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2002

10. SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted, issued and fully paid</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
1000 Ordinary shares of £1 each	£1,000 =====	£1,000 =====	£100 =====	£100 =====

11. RESERVES

	<u>2002</u>	<u>2001</u>
	£	£
Reserves, 1 August 2001	56199	11488
Retained profit for the year	26046	44711
Reserves, 31 July 2002	£ 82245 =====	56199 =====

12. SHAREHOLDERS' FUNDS

	<u>2002</u>	<u>2001</u>
	£	£
Balance, 1 August 2001	56299	11588
Retained profit for the year	26046	44711
Balance, 31 July 2002	£ 82345 =====	£ 56299 =====

DEEPDENE SCHOOLS LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2002

13. 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 and prepare the financial statements on the going concern basis unless it is appropriate 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.