

DEEPDENE SCHOOLS LIMITED

COMPANY NUMBER: 3887554

ACCOUNTS: 31 July 2003

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 2003.

## 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 year ended 31 July 2003, unless otherwise stated. The interests, all of which were beneficial, of the directors holding office on 31 July 2003 in the shares of the company, according to the register of directors' interests, were as shown below:-

### Ordinary shares

<u>Director's name</u>	<u>1 August 2002</u>	<u>31 July 2003</u>
Mrs. L.V.Clark-Darby	40	40
Mrs.N.K.Gane	60	60
J.I.Gane	0	0

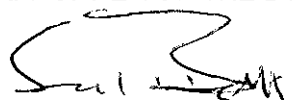
Mr. J.I.Gane retires at the annual general meeting and being eligible, offers herself for re-election.

## 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

10 November, 2003

DEEPPDENE SCHOOLS LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 JULY 2003

	<u>Notes</u>	<u>2003</u>	<u>2002</u>
		£	£
TURNOVER		638613	550328
Cost of sales		0	0
GROSS PROFIT		638613	550328
Distribution costs		0	0
Administrative expenses		-589605	-519576
Other operating income		571	927
OPERATIVE PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	49579	31679
Taxation on profit on ordinary activities	4	-9851	-5633
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR		£ 39728	£ 26046
		=====	=====
Turnover - continuing operations		£ 638613	£ 550328
Operating profit - continuing operations		£ 39728	£ 26046

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

DEEPDENE SCHOOLS LIMITED

BALANCE SHEET AT 31 JULY 2003

	<u>Notes</u>	<u>2003</u> £	<u>2002</u> £
FIXED ASSETS			
Tangible assets	5	79013	84960
Intangible assets	6	120000	120000
		-----	-----
		199013	204960
		-----	-----
CURRENT ASSETS			
Debtors	7	23193	18320
Cash at bank		978	520
		-----	-----
		24171	18840
		-----	-----
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	8	-71934	-111775
		-----	-----
NET CURRENT LIABILITIES		-47763	-92935
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		151250	112025
CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	9	-29177	-29680
		-----	-----
NET ASSETS		£ 122073	£ 82345
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account	11	121973	82245
		-----	-----
		£ 122073	£ 82345
		=====	=====

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:

- i) the company keeps accounting records which comply with s.221 of the Companies Act 1985, and
- ii) the accounts give a true and fair view of the state of affairs of the company as at 31 July 2003 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 10 November 2003 (and signed on its behalf)

Mrs.L.V.Clark-Darby, Director

Mrs.N.K.Gane, Director

*[Handwritten signatures of Mrs. L.V. Clark-Darby and Mrs. N.K. Gane]*

DEEPDENE SCHOOLS LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY 2003

	<u>2003</u>	<u>2002</u>
	£	£
Net cash flow from operating activities		
Profit before taxation	49579	31679
Depreciation	6193	7680
Increase in debtors	-4873	-8148
Increase in creditors	1406	6032
	-----	-----
	52305	37243
Returns on investments:		
Dividend paid	0	0
	-----	-----
	52305	37243
Taxation:		
Corporation tax paid	-5858	-10006
	-----	-----
	46447	27237
Investing activities:		
Payments to acquire tangible fixed assets	-246	-166
Receipts from sales of tangible fixed assets	0	0
	-----	-----
	46201	27071
Financing:		
Issue of shares	0	0
Loans repaid	-49503	-48583
	-----	-----
Movement in cash balances	£ -3302	£ -21512
	=====	=====
Represented by:		
Increase in bank overdraft	-3760	-16056
Increase in cash at bank and in hand	458	-5456
	-----	-----
	£ -3302	£ -21512
	=====	=====
Reconciliation to net debt:		
Net debt as at 1 August 2002	96240	
Loans repaid	-49503	
Movement in cash balances	3302	
	-----	
Net debt as at 31 July 2003	£ 50039	
	=====	

DEEPPDENE SCHOOLS LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 JULY 2003

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>2003</u>	<u>2002</u>
	£	£
The profit on ordinary activities before taxation is stated after charging the following:		
Depreciation of fixed assets	6193	7680
Emoluments of directors - management services	61975	58108
Rent of school - operating lease	20898	19285
Interest payable	1819	2976
	=====	=====

DEEPDENE SCHOOLS LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 JULY 2003

4. TAXATION

	<u>2003</u>	<u>2002</u>
Based on the profit for the year:		
UK corporation tax at 19%	£ 9851 =====	£ 5633 =====

5. TANGIBLE FIXED ASSETS

	<u>Leasehold property</u>	<u>Fixtures &amp; equipment</u>	<u>Total</u>
	£	£	£
<b>COST</b>			
At 1 August 2002	54243	50954	105197
Additions	0	246	246
Disposals	0	0	0
	-----	-----	-----
At 31 July 2003	54243 =====	51200 =====	105443 =====
<b>ACCUMULATED DEPRECIATION</b>			
At 1 August 2002	0	20237	20237
Charge for the year	0	6193	6193
Eliminated on disposal	0	0	0
	-----	-----	-----
At 31 July 2003	0 =====	26430 =====	26430 =====
<b>NET BOOK VALUES</b>			
At 31 July 2003	54243 =====	24770 =====	79013 =====
	54243 =====	30717 =====	84960 =====
Depreciation rates	0%	20%	

6. INTANGIBLE FIXED ASSETS

Purchased goodwill	£ 120000 =====	£ 120000 =====
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DEEPDENE SCHOOLS LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 JULY 2003

7. DEBTORS

	<u>2003</u>		<u>2002</u>
	£		£
DUE WITHIN ONE YEAR			
Trade debtors	14933		9600
Other debtors and prepayments	8260		8720
	-----		-----
£	23193	£	18320
	=====		=====

8. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2003</u>		<u>2002</u>
	£		£
Bank overdraft (see note 9)	21840		18080
Bank loan	0		9000
Trade creditors	10909		10138
PAYE	8001		6863
Corporation tax	9847		5854
Loan	0		40000
Other creditors and accruals	21337		21840
	-----		-----
£	71934	£	111775
	=====		=====

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

	<u>2003</u>		<u>2002</u>
	£		£
Directors' loan accounts	29177		15490
Bank loan	0		14190
Loan	0		0
	-----		-----
£	29177	£	29680
	=====		=====

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

The bank overdraft is 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 2003

10. SHARE CAPITAL

	<u>Authorised</u>	<u>Allotted, issued and fully paid</u>		
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
1000 Ordinary shares of £1 each	£1,000	£1,000	£100	£100
	=====	=====	=====	=====

11. RESERVES

	<u>2003</u>	<u>2002</u>
	£	£
Reserves, 1 August 2002	82245	56199
Retained profit for the year	39728	26046
Reserves, 31 July 2003	£ 121973 =====	82245 =====

12. SHAREHOLDERS' FUNDS

	<u>2003</u>	<u>2002</u>
	£	£
Balance, 1 August 2002	82345	56299
Retained profit for the year	39728	26046
Balance, 31 July 2003	£ 122073 =====	£ 82345 =====

DEEPDENE SCHOOLS LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 JULY 2003

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.