

LANGSTONE HOMES LIMITED
FINANCIAL STATEMENTS
30 SEPTEMBER 2002

Company Registration Number 4068779



THE GRAHAM FULFORD PARTNERSHIP

Chartered Accountants
61 Bedford Street
Leamington Spa
Warwickshire
CV32 5DN

LANGSTONE HOMES LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2002

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LANGSTONE HOMES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2002

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 30 September 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of land and property developers. The company commenced to trade on 2 January 2002.

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:

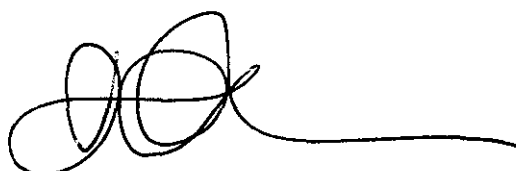
		Ordinary Shares of £1 each	
		At	At
		30 September 2002	1 October 2001 or later date of appointment
Mr B J D Lewis		2	1
Mr D J P Jervis	(Appointed 27 August 2002)	2	—
Mr J G Downer	(Resigned 27 August 2002)	—	1
		<u> </u>	<u> </u>

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:
Fairfield
Church Lane
Lighthorne
Warwick
CV35 0AR

Signed by order of the directors



MR B J D LEWIS
Company Secretary

Approved by the directors on 28.07.03

LANGSTONE HOMES LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 SEPTEMBER 2002

	Note	2002 £	2001 £
TURNOVER		42,000	—
Cost of sales		<u>7,855</u>	—
GROSS PROFIT		34,145	—
Administrative expenses		<u>7,017</u>	—
OPERATING PROFIT	2	27,128	—
Interest payable		<u>13,519</u>	—
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		13,609	—
Tax on profit on ordinary activities	3	<u>1,532</u>	—
RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>12,077</u>	—

LANGSTONE HOMES LIMITED

BALANCE SHEET

30 SEPTEMBER 2002

	Note	2002 £	£	2001 £	£
FIXED ASSETS					
Tangible assets	4		775		—
CURRENT ASSETS					
Stocks		505,944		—	
Debtors	5	30,987		—	
Cash at bank		2,063		1	
		<u>538,994</u>		<u>1</u>	
CREDITORS: Amounts falling due within one year	6	<u>527,688</u>		<u>—</u>	
NET CURRENT ASSETS			<u>11,306</u>		<u>1</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>12,081</u>		<u>1</u>

The Balance sheet continues on the following page.
The notes on pages 5 to 7 form part of these financial statements.

LANGSTONE HOMES LIMITED

BALANCE SHEET *(continued)*

30 SEPTEMBER 2002

	Note	2002 £	2001 £
CAPITAL AND RESERVES			
Called-up equity share capital	8	4	1
Profit and loss account		12,077	—
SHAREHOLDERS' FUNDS		<u>12,081</u>	<u>1</u>

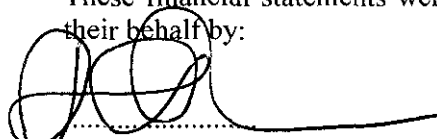
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) 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 28.7.03 and are signed on their behalf by:


MR B J D LEWIS


MR D J P JERVIS

LANGSTONE HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 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).

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:

Office Equipment - 25% Reducing balance

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2002 £	2001 £
Directors' emoluments	2,000	—
Depreciation of owned fixed assets	<u>16</u>	<u>—</u>

LANGSTONE HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2002

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002 £	2001 £
Current tax:		
UK Corporation tax based on the results for the year at 11.30% (2001 - --%)	<u>1,532</u>	—
Total current tax	<u><u>1,532</u></u>	<u>—</u>

4. TANGIBLE FIXED ASSETS

	Office Equipment £
COST	
Additions	<u>791</u>
At 30 September 2002	<u><u>791</u></u>
DEPRECIATION	
Charge for the year	<u>16</u>
At 30 September 2002	<u><u>16</u></u>
NET BOOK VALUE	
At 30 September 2002	<u><u>775</u></u>
At 30 September 2001	<u>—</u>

5. DEBTORS

	2002 £	2001 £
Trade debtors	20,000	—
VAT recoverable	487	—
Prepayments and accrued income	<u>10,500</u>	—
	<u><u>30,987</u></u>	<u>—</u>

LANGSTONE HOMES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2002

6. CREDITORS: Amounts falling due within one year

	2002		2001	
	£	£	£	£
Bank loans and overdrafts		335,000		—
Trade creditors		3,631		—
Other creditors including taxation:				
Corporation tax	1,532		—	
Other creditors	186,159		—	
Directors current accounts	216		—	
Accruals and deferred income	1,150		—	
		<u>189,057</u>		—
		<u>527,688</u>		—

The bank loan and other creditors are secured on the work in progress of the company.

7. RELATED PARTY TRANSACTIONS

The company was under the joint control of Messrs B J D Lewis & J G Downer until 27 August 2002 when Mr Downer resigned as a director and his shareholding transferred. Mr D J P Jervis was appointed as a director on 27 August 2002 and has had joint control of the company with Mr Lewis since that date.

During the year the company paid consultancy fees of £5,500 (2001 £Nil) to Lewis & Lewis, a business in which Mr Lewis is a partner and a further £5,000 (2001 £Nil) to Jervis & Jervis, a business in which Mr Jervis is a partner.

All transactions were at arms length.

8. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2002		2001	
	No	£	No	£
Ordinary shares of £1 each	<u>4</u>	<u>4</u>	<u>1</u>	<u>1</u>