

ST8 LIMITED
FINANCIAL STATEMENTS
31 JULY 2003

Company Registration Number 04184904



ST8 LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2003

CONTENTS	PAGES
Company information	1
The director's report	2
Profit and loss account	3
Balance sheet	4 to 5
Notes to the financial statements	6 to 10
The following pages do not form part of the financial statements	
Accountants' report to the director	12
Detailed profit and loss account	13
Notes to the detailed profit and loss account	14

ST8 LIMITED
COMPANY INFORMATION

THE DIRECTOR

N W C Sandy

COMPANY SECRETARY

Miss S Lane

REGISTERED OFFICE

Castleway
Sham Castle Way
Bath

ACCOUNTANTS

Target Consulting Limited
Chartered Accountants
Lawrence House
Lower Bristol Road
Bath

BANKERS

HSBC Bank Plc
45 Milsom Street
Bath

ST8 LIMITED
THE DIRECTOR'S REPORT
YEAR ENDED 31 JULY 2003

The director has pleasure in presenting his report and the unaudited financial statements of the company for the year ended 31 July 2003.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the provision of management services to the property development sector.

BUSINESS REVIEW

The balance sheet as detailed on pages 4 to 5 shows a satisfactory position, shareholders' funds amounting to £11,241.

THE DIRECTOR AND HIS INTERESTS IN SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At 31 July 2003	At 1 August 2002
N W C Sandy	<u>100</u>	<u>100</u>

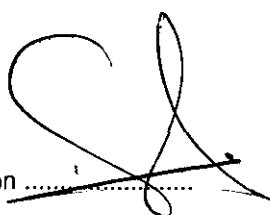
SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by

N W C Sandy
 Director

Approved by the director on



22/08/2004

ST8 LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 JULY 2003

	Note	Year to 31 Jul 03 £	Period from 22 Mar 01 to 31 Jul 02 £
TURNOVER		32,000	16,003
Administrative expenses		(18,836)	(14,595)
OPERATING PROFIT	2	13,164	1,408
Interest receivable		21	-
Interest payable and similar charges	4	(2,022)	(154)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		11,163	1,254
Tax on profit on ordinary activities	5	(909)	(367)
RETAINED PROFIT FOR THE FINANCIAL YEAR		10,254	887
Balance brought forward		887	-
Balance carried forward		<u>11,141</u>	<u>887</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

ST8 LIMITED
BALANCE SHEET
31 JULY 2003

	Note	2003 £	£	2002 £	£
FIXED ASSETS					
Tangible assets	6		15,173		18,022
CURRENT ASSETS					
Debtors	7	24,386		16,563	
Cash at bank		<u>5,300</u>		<u>—</u>	
		29,686		16,563	
CREDITORS: Amounts falling due within one year	8	<u>25,648</u>		<u>22,712</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>4,038</u>		<u>(6,149)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			19,211		11,873
CREDITORS: Amounts falling due after more than one year	9		<u>6,694</u>		<u>10,519</u>
			12,517		1,354
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	11		<u>1,276</u>		<u>367</u>
			<u>11,241</u>		<u>987</u>

The Balance sheet continues on the following page.
The notes on pages 6 to 10 form part of these financial statements.

ST8 LIMITED
BALANCE SHEET *(continued)*
31 JULY 2003

	Note	2003 £	2002 £
CAPITAL AND RESERVES			
Called-up equity share capital	13	100	100
Profit and Loss Account		<u>11,141</u>	<u>887</u>
SHAREHOLDERS' FUNDS	14	<u>11,241</u>	<u>987</u>

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts 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.

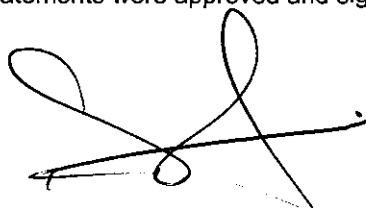
The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts 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.

These financial statements were approved and signed by the director on 22/04/04

N W C SANDY
Director



ST8 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2003

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

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:

Motor Vehicles	- 25% reducing balance
Equipment	- 25% reducing balance
Computers	- 50% Straight line

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

ST8 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2003

2. OPERATING PROFIT

Operating profit is stated after charging:

	Year to 31 Jul 03 £	Period from 22 Mar 01 to 31 Jul 02 £
Depreciation	<u>4,954</u>	<u>1,907</u>

3. PARTICULARS OF EMPLOYEES

The aggregate payroll costs of the above were:

	Year to 31 Jul 03 £	Period from 22 Mar 01 to 31 Jul 02 £
Social security costs	<u>59</u>	—
	<u>59</u>	—

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Year to 31 Jul 03 £	Period from 22 Mar 01 to 31 Jul 02 £
Finance charges	615	154
Other interest and similar charges	<u>1,407</u>	—
	<u>2,022</u>	<u>154</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	Year to 31 Jul 03 £	Period from 22 Mar 01 to 31 Jul 02 £
Deferred tax:		
Increase in deferred tax provision (note 11)		
Capital allowances	<u>909</u>	<u>367</u>

ST8 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2003

5. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2002 - 20%).

	Year to 31 Jul 03 £	Period from 22 Mar 01 to 31 Jul 02 £
Profit on ordinary activities before taxation	<u>11,163</u>	<u>1,254</u>
Profit/(loss) on ordinary activities by rate of tax	2,121	251
Capital allowances in excess of depreciation	54	(1,431)
Unrelieved tax losses	—	1,045
Expenses not deductible for tax	662	135
Tax credits	(1,874)	—
Timing differences	30	—
Utilisation of tax losses and other deductions	<u>(993)</u>	<u>—</u>
Total current tax	<u>—</u>	<u>—</u>

6. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Equipment £	Computers- Cost Brought Forward £	Total £
COST				
At 1 August 2002	18,454	1,475	—	19,929
Additions	<u>—</u>	<u>251</u>	<u>1,854</u>	<u>2,105</u>
At 31 July 2003	<u>18,454</u>	<u>1,726</u>	<u>1,854</u>	<u>22,034</u>
DEPRECIATION				
At 1 August 2002	1,538	369	—	1,907
Charge for the year	<u>4,229</u>	<u>339</u>	<u>386</u>	<u>4,954</u>
At 31 July 2003	<u>5,767</u>	<u>708</u>	<u>386</u>	<u>6,861</u>
NET BOOK VALUE				
At 31 July 2003	<u>12,687</u>	<u>1,018</u>	<u>1,468</u>	<u>15,173</u>
At 31 July 2002	<u>16,916</u>	<u>1,106</u>	<u>—</u>	<u>18,022</u>

Hire purchase agreements

Included within the net book value of £15,173 is £12,190 (2002 - £16,253) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £4,063 (2002 - £1,478).

ST8 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2003

7. DEBTORS

	2003 £	2002 £
VAT recoverable	386	563
Other debtors	24,000	16,000
	<u>24,386</u>	<u>16,563</u>

8. CREDITORS: Amounts falling due within one year

	2003 £	2002 £
Bank loans and overdrafts	—	469
Trade creditors	513	650
Other creditors including taxation:		
Hire purchase agreements	3,825	3,825
Other creditors	19,580	16,518
Accruals and deferred income	1,730	1,250
	<u>25,135</u>	<u>21,593</u>
	<u>25,648</u>	<u>22,712</u>

9. CREDITORS: Amounts falling due after more than one year

	2003 £	2002 £
Hire purchase agreements	6,694	10,519

10. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2003 £	2002 £
Amounts payable within 1 year	3,825	3,825
Amounts payable between 1 and 2 years	3,825	3,825
Amounts payable between 3 and 5 years	2,869	6,694
	<u>10,519</u>	<u>14,344</u>

11. DEFERRED TAXATION

	Year to 31 Jul 03 £	Period from 22 Mar 01 to 31 Jul 02 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	367	—
Profit and Loss Account movement arising during the year	909	367
Provision carried forward	<u>1,276</u>	<u>367</u>

ST8 LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2003

11. DEFERRED TAXATION (continued)

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	Year to 31 Jul 03 £	Period from 22 Mar 01 to 31 Jul 02 £
Excess of taxation allowances over depreciation on fixed assets	1,276	367
	<u>1,276</u>	<u>367</u>

12. RELATED PARTY TRANSACTIONS

As at 31 July 2003, the company owed N W C Sandy, a director and shareholder, £19,580 (2002 £16,518). This balance is unsecured. Interest of £1,407 (2002: nil) was accrued on this balance at the year end.

During the year, the company invoiced £32,000 (2002 £16,000) to ST8 (Bath) Limited, a company in which N W C Sandy is a shareholder and director. At the end of the year the company was owed £24,000 (2002: £16,000) from ST8 (Bath) Limited.

13. SHARE CAPITAL**Authorised share capital:**

	2003 £	2002 £
2,000 Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>

Allotted, called up and fully paid:

	2003 No	£	2002 No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

On the date of incorporation, 100 £1 ordinary shares were issued.

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003 £	2002 £
Profit for the financial year	10,254	887
New equity share capital subscribed	—	100
Net addition to funds	10,254	987
Opening shareholders' equity funds	987	—
Closing shareholders' equity funds	<u>11,241</u>	<u>987</u>

15. CONTROLLING PARTY

The company is controlled by N W C Sandy, a director and sole owner of the company.