

YAVERLAND LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**



YAUERLAND LIMITED

COMPANY INFORMATION

Directors	D E Bundy M Bundy
Secretary	D E Bundy
Company number	2739244
Registered office	Sandown House Auckland Road Birmingham B11 1RH
Auditors	Haslehursts 15/17 Belwell Lane Four Oaks Sutton Coldfield West Midlands B74 4AA

YAUERLAND LIMITED

CONTENTS

	Page
Directors' report	1
Independent auditors' report	2 - 3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 9

YAUERLAND 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

The principal activity of the company in the year under review continued to be managing the activities of the subsidiary undertaking, Minortracts Builders Limited, which is involved in the business of building contractors.

Directors

The following directors have held office since 1 April 2002:

D E Bundy
M Bundy

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
D E Bundy	50	50
M Bundy	10	10

Auditors

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

Directors' responsibilities

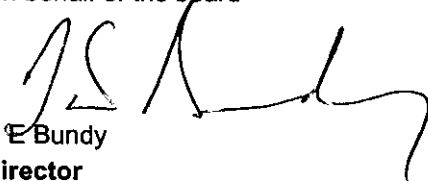
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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.

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

On behalf of the board


D E Bundy
Director

30 July 2003

YAUERLAND LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF YAUERLAND LIMITED

We have audited the financial statements of Yauerland Limited on pages 4 to 9 for the year ended 31 March 2003. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), 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. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

YAUERLAND LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF YAUERLAND LIMITED

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 profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Haslehursts

Chartered Accountants
Registered Auditor

30 July 2003

15/17 Belwell Lane
Four Oaks
Sutton Coldfield
West Midlands
B74 4AA

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YAUERLAND LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2003

	Notes	2003 £	2002 £
Turnover		66,000	102,000
Administrative expenses		(9,464)	(9,458)
Operating profit	2	56,536	92,542
Investment income	3	-	100,000
Other interest receivable and similar income		1,549	340
Profit on ordinary activities before taxation		58,085	192,882
Tax on profit on ordinary activities	4	(10,791)	(19,495)
Profit on ordinary activities after taxation		47,294	173,387
Dividends		(50,000)	(50,000)
Retained (loss)/profit for the year	10	(2,706)	123,387

YAUERLAND LIMITED

BALANCE SHEET AS AT 31 MARCH 2003

	Notes	2003 £	£	2002 £	£
Fixed assets					
Tangible assets	5	281,125		287,074	
Investments	6	100		100	
		<u>281,225</u>		<u>287,174</u>	
Current assets					
Debtors	7	72,500		188,215	
Cash at bank and in hand		129,244		18,176	
		<u>201,744</u>		<u>206,391</u>	
Creditors: amounts falling due within one year	8	<u>(62,300)</u>		<u>(70,190)</u>	
Net current assets			139,444		136,201
Total assets less current liabilities			<u>420,669</u>		<u>423,375</u>
Capital and reserves					
Called up share capital	9	100		100	
Profit and loss account	10	420,569		423,275	
Shareholders' funds			<u>420,669</u>		<u>423,375</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 30 July 2003



M Bundy
Director

YAUERLAND LIMITED

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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

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

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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:

Freehold land and buildings	Over 25 years
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1.4 Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

Dividends are brought to account in the profit and loss account when received.

1.5 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Operating profit	2003	2002
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	5,949	5,949
Auditors' remuneration	500	500
Directors' emoluments	3,000	3,000
	<u> </u>	<u> </u>
3 Investment income	2003	2002
	£	£
Income from shares in group undertakings	-	100,000
	<u> </u>	<u> </u>
4 Taxation	2003	2002
	£	£
Domestic current year tax		
U.K. corporation tax	11,800	19,300
Adjustment for prior years	(1,009)	195
	<u> </u>	<u> </u>
Current tax charge	10,791	19,495
	<u> </u>	<u> </u>

Y.AVERLAND LIMITED

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

5 Tangible fixed assets

	Land and buildings
	£
Cost	
At 1 April 2002 & at 31 March 2003	328,717
Depreciation	
At 1 April 2002	41,643
Charge for the year	5,949
At 31 March 2003	47,592
Net book value	
At 31 March 2003	281,125
At 31 March 2002	287,074

Included in land and bulidings is freehold land valued at £31,250 which is not depreciated.

Y.AVERLAND LIMITED

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

6 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 April 2002 & at 31 March 2003	100

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Minortracts Builders Limited	UK	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2003 £	Profit for the year 2003 £
Minortracts Builders Limited	403,021	(29,726)

7 Debtors

	2003 £	2002 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	72,500	188,215

8 Creditors: amounts falling due within one year

	2003 £	2002 £
Taxation and social security	11,800	19,690
Other creditors	50,500	50,500
	62,300	70,190

YAVERLAND LIMITED

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

9	Share capital	2003	2002
		£	£
	Authorised		
	100,000 Ordinary shares of £ 1 each	100,000	100,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	100 Ordinary shares of £ 1 each	100	100
		<u> </u>	<u> </u>
10	Statement of movements on profit and loss account		Profit and loss account £
	Balance at 1 April 2002		423,275
	Retained loss for the year		(2,706)
			<u> </u>
	Balance at 31 March 2003		420,569
			<u> </u>

11 Related party transactions

During the year Yaverland Limited continued to manage the services of Minortracts Builders Limited. Yaverland Limited received rent from Minortracts Builders Limited of £33,000 during the year. D E Bundy and M Bundy are directors in both companies. At the balance sheet date the amount due by Minortracts Builders Limited was £72,500(2002:£188,215.)