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# ANDREW LYNTON PROPERTY LIMITED

## REPORT AND FINANCIAL STATEMENTS

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◆ 30 June 2002 ◆

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COMPANY NO: 2819173

## **ANDREW LYNTON PROPERTY LIMITED**

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## **ANDREW LYNTON PROPERTY LIMITED**

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### **COMPANY INFORMATION**

Directors	Andrew L Cohen Wendy P Cohen
Secretary	Iain Williamson
Registered office	Wood Hall Lane Shenley Hertfordshire WD7 9AA
Registered number	2819173
Auditors	BDO Stoy Hayward Chartered Accountants 8 Baker Street London W1U 3LL

**REPORT OF THE DIRECTORS**

The directors present their report together with the audited financial statements for the year ended 30 June 2002.

**Principal activities**

The principal activity of the company is that of property investment.

**Results and dividend**

The results for the year are set out in detail on page 4. The directors do not recommend the payment of a dividend (2001: nil).

**Directors**

The directors at the date of this report are disclosed on page 1. Simon H Walters resigned as a director on 31<sup>st</sup> May 2002.

The directors held no beneficial interests in the shares of the company throughout the year.

The directors' interests in the shares of the parent company are disclosed in that company's accounts.

**Directors' responsibilities for financial statements**

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 year. In preparing these financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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.

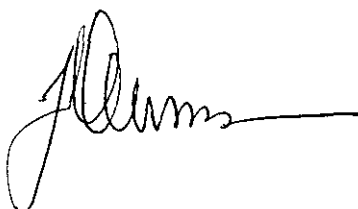
**Auditors**

A resolution to approve the re-election of BDO Stoy Hayward as auditors will be proposed at the forthcoming AGM.

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

By order of the Board

Iain Williamson  
Secretary



Date:

25 February 2003

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF ANDREW LYNTON PROPERTY LIMITED**

We have audited the financial statements of Andrew Lynton Property Limited for the year ended 30 June 2002 on pages 4 to 11, which have been prepared on the basis of the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 2.

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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

**Basis of audit opinion**

We conducted our audit in accordance with 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 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.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2002 and its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO Stoy Hayward  
Chartered Accountants and Registered Auditors  
London

Date 27/2/03

**ANDREW LYNTON PROPERTY LIMITED****PROFIT AND LOSS ACCOUNT**  
**for the year ended 30 June 2002**

	<b>Note</b>	<b>2002 £</b>	<b>2001 £</b>
<b>Turnover</b>	1	181,204	314,671
Cost of sales		(6,365)	(8,851)
		<hr/>	<hr/>
<b>Gross profit</b>		174,839	305,820
Administrative expenses		(16,406)	(21,903)
		<hr/>	<hr/>
<b>Operating profit</b>	2	158,433	283,917
Profit on disposal of investment properties		-	45,495
Interest payable	4	(2)	(65)
Interest receivable	5	959	4,025
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		159,390	333,372
Taxation	6	(35,939)	(198,815)
		<hr/>	<hr/>
<b>Retained profit for the year</b>	14	123,451	134,557
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing activities

The notes on pages 7 to 11 form part of these financial statements

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**for the year ended 30 June 2002**

		<b>2002 £</b>	<b>2001 £</b>
Profit for the year		123,451	134,557
Unrealised (deficit)/surplus on property revaluations		(123,000)	357,785
		<hr/>	<hr/>
<b>Total recognised gains</b>	13	451	492,342
		<hr/> <hr/>	<hr/> <hr/>

**ANDREW LYNTON PROPERTY LIMITED**

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**NOTE OF HISTORICAL COST PROFITS AND LOSSES  
for the year ended 30 June 2002**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Retained profits on ordinary activities before taxation	159,390	333,372
Release of property revaluation gains	-	422,848
	<hr/>	<hr/>
Historical cost profit on ordinary activities before taxation	159,390	756,220
	<hr/>	<hr/>
Historical cost retained profit	123,451	557,405
	<hr/>	<hr/>

# ANDREW LYNTON PROPERTY LIMITED


## BALANCE SHEET

at 30 June 2002

	Note	2002 £	2001 £
<b>Fixed assets</b>			
Tangible fixed assets	7	2,560,000	2,683,000
<b>Current assets</b>			
Debtors	8	1,306,315	1,146,748
Cash at bank		108,806	81,087
<b>Creditors: Amounts falling due within one year</b>	9	1,415,121 (138,547)	1,227,835 (74,712)
<b>Net current assets</b>		1,276,574	1,153,123
<b>Total assets less current liabilities</b>		3,836,574	3,836,123
Provision for liabilities and charges	10	-	-
<b>Net assets</b>		3,836,574	3,836,123
<b>Capital and reserves</b>			
Called up share capital	11	100	100
Revaluation reserve	14	1,063,735	1,186,735
Profit and loss account	14	2,772,739	2,649,288
<b>Equity shareholders' funds</b>	13	3,836,574	3,836,123

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

The financial statements were approved by the Board on 25 February 2003.

  
Andrew L Cohen  
Director

The notes on pages 7 to 11 form part of these financial statements



**NOTES TO THE FINANCIAL STATEMENTS**  
**30 June 2002**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements are prepared in accordance with applicable accounting standards, under the historical cost convention as modified by the revaluation of certain land and buildings.

In preparing these financial statements the company has adopted Financial Reporting Standard 19: Deferred Taxation for the first time.

**Turnover**

Turnover represents rent receivable during the year, excluding value added tax.

**Depreciation**

The only tangible fixed assets held were investment properties, on which no depreciation is provided.

**Taxation**

The charge for taxation takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Deferred tax balances are recognized in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognized on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Group undertakings are able to relieve their taxable losses by surrendering them to other group companies where capacity to utilise those losses exists. There is an agreement between members of this group that such losses will be paid for by the recipient company. Where there is reasonable certainty that taxable losses can be relieved, the group relief receivable or payable is included in the taxation charge or credit for the year.

**Investment properties**

Investment properties, other than those leasehold properties with an unexpired term of less than 20 years, are included in the balance sheet at cost from the date of exchange of contracts, or subsequent revaluation.

**2. OPERATING PROFIT**

	2002 £	2001 £
Operating profit is stated after charging:		
Auditors' remuneration	1,000	1,250
	<hr/>	<hr/>

**3. EMPLOYEE INFORMATION (INCLUDING DIRECTORS)**

With the exception of the directors, there were no employees during the year. The directors received no remuneration during the year.

**ANDREW LYNTON PROPERTY LIMITED****NOTES TO THE FINANCIAL STATEMENTS****30 June 2002****4. INTEREST PAYABLE**

	2002 £	2001 £
Interest on loans and bank overdrafts	2	3
Other interest	-	62
	<u>2</u>	<u>65</u>

**5. INTEREST RECEIVABLE**

	2002 £	2001 £
Bank interest	245	971
Interest on group balances	-	2,364
Other interest	714	690
	<u>959</u>	<u>4,025</u>

**6. TAXATION ON PROFIT FROM ORDINARY ACTIVITIES**

	2002 £	2001 £
<b>Current Tax</b>		
UK corporation tax on profits of the year	-	-
Payable to group undertakings for tax saved by group relief	43,222	198,810
Adjustment in respect of previous years	(7,283)	5
Total current tax	<u>35,939</u>	<u>198,815</u>

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	2002 £	2001 £
Profit on ordinary activities before tax	<u>159,390</u>	<u>333,372</u>
Profit on ordinary activities at the standard rate of Corporation tax in the UK of 30% (2001 – 30%)	47,817	100,012
Effects of:		
Difference between capital gains and profit on sale of assets	-	104,925
Capital allowances for year in excess of depreciation	(4,595)	(6,127)
Adjustment to tax charge in respect of previous years	(7,283)	5
Current tax charge for year	<u>35,939</u>	<u>198,815</u>

**ANDREW LYNTON PROPERTY LIMITED****NOTES TO THE FINANCIAL STATEMENTS**  
**30 June 2002****7. TANGIBLE FIXED ASSETS**

	<b>Freehold land and buildings £</b>	<b>Long leasehold land and buildings £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 July 2001	2,048,000	635,000	2,683,000
Revaluation	(88,000)	(35,000)	(123,000)
	<hr/>	<hr/>	<hr/>
At 30 June 2002	1,960,000	600,000	2,560,000
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 30 June 2002	1,960,000	600,000	2,560,000
	<hr/>	<hr/>	<hr/>
At 30 June 2001	2,048,000	635,000	2,683,000
	<hr/>	<hr/>	<hr/>
<b>Land and buildings comprise:</b>			
Cost			1,496,265
Revaluation			1,063,735
			<hr/>
At 30 June 2002			2,560,000
			<hr/>
At 30 June 2001			2,683,000
			<hr/>

All freehold and long leasehold land and buildings are held as investment properties. The directors revalued the properties to market value at 30 June 2002.

**8. DEBTORS**

	<b>2002 £</b>	<b>2001 £</b>
Trade debtors	16,436	12,367
Amounts owed from group undertakings	1,289,441	1,107,193
Other debtors	-	26,750
Prepayments and accrued income	438	438
	<hr/>	<hr/>
	1,306,315	1,146,748
	<hr/>	<hr/>

All amounts shown in debtors fall due for repayment within one year.

**NOTES TO THE FINANCIAL STATEMENTS****30 June 2002****9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2002 £	2001 £
Trade creditors	9,426	1,546
Corporation tax	-	7,283
Other taxes and social security	9,841	8,436
Other creditors	76,185	21,885
Accruals	43,095	35,562
	<hr/>	<hr/>
	138,547	74,712
	<hr/>	<hr/>

The company also acts, with certain other group companies, as guarantor of loans made to group companies.

**10. PROVISION FOR LIABILITIES AND CHARGES**

No provision has been made for deferred tax on gains recognized on revaluing property to its market value. The total amount unprovided for is £249,000 (2001 - £284,000). At present, it is not envisaged that any tax will become payable in the foreseeable future.

**11. SHARE CAPITAL**

	2002 £	2001 £
<b>Authorised, issued and fully paid</b>		
100 Ordinary shares of £1 each	100	100
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**12. TRANSACTIONS WITH RELATED PARTIES**

During the year the company received interest on a loan from Banc Properties Ltd of £0 (2001: £9) and on a loan to Tamefield Ltd of £0 (2001: £2,355). All the companies are related by virtue of common control.

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related Party Transactions", not to disclose any transactions with 100%-owned subsidiaries of Wood Hall Securities Limited that are included in its consolidated financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**30 June 2002****13. RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Total recognised gains	451	492,342
Opening shareholders' funds	3,836,123	3,343,781
	<hr/>	<hr/>
Closing shareholders' funds	3,836,574	3,836,123
	<hr/>	<hr/>

**14. RESERVES**

	<b>Revaluation Reserve</b>	<b>Profit and loss account</b>
	<b>£</b>	<b>£</b>
At 1 July 2001	1,186,735	2,649,288
Retained profit for the year	-	123,451
Revaluation in the year	(123,000)	-
	<hr/>	<hr/>
At 30 June 2002	1,063,735	2,772,739
	<hr/>	<hr/>

**15. CASH FLOW STATEMENT**

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as it is consolidated in the financial statements of its ultimate parent company.

**16. ULTIMATE PARENT COMPANY**

The company's ultimate parent company is Wood Hall Securities Limited, whose consolidated financial statements are available from Companies House.