

**REALTY, THE LONDON PROPERTY BROKERS  
LIMITED**

**FINANCIAL STATEMENTS**

**YEAR ENDED**

**31ST JULY 2002**



# **REALTY, THE LONDON PROPERTY BROKERS LIMITED**

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**REALTY, THE LONDON PROPERTY BROKERS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

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**The board of directors**

Mr L. G. Kirschel  
Mr N. H. Fattal  
Mrs E. A. Kirschel

**Company secretary**

Mr J Hoare

**Registered office**

124/130 Seymour Place  
London  
W1H 1BG

# REALTY, THE LONDON PROPERTY BROKERS LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 31ST JULY 2002

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The directors present their report and the unaudited financial statements of the company for the year ended 31st July 2002.

### Principal Activities

The Company's principal activity continued to be that of estate agents

### The Directors and their Interests in Shares of the Company

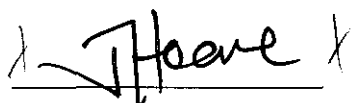
The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 July 2002	At 1 August 2001
Mr L. G. Kirschel	15,000	15,000
Mr N. H. Fattal	15,000	15,000
Mrs E. A. Kirschel	—	—

### 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 on behalf of the directors



Secretary

Approved by the directors on 2-6-03

# REALTY, THE LONDON PROPERTY BROKERS LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST JULY 2002

	Note	2002 £	2001 £
<b>Turnover</b>		<b>128,967</b>	<b>150,378</b>
Distribution costs		25,804	24,611
Administrative expenses		182,779	170,145
Other operating income	2	(55,000)	(50,000)
<b>Operating (Loss)/Profit</b>	3	<b>(24,616)</b>	<b>5,622</b>
Interest receivable		512	504
Interest payable		—	(1,768)
<b>(Loss)/Profit on Ordinary Activities Before Taxation</b>		<b>(24,104)</b>	<b>4,358</b>
Tax on (loss)/profit on ordinary activities		—	2,829
<b>(Loss)/Retained Profit for the Financial Year</b>		<b>(24,104)</b>	<b>1,529</b>
<b>Loss Brought Forward</b>		<b>(125,684)</b>	<b>(127,213)</b>
<b>Loss Carried Forward</b>		<b>(149,788)</b>	<b>(125,684)</b>

The notes on pages 5 to 7 form part of these financial statements.

# REALTY, THE LONDON PROPERTY BROKERS LIMITED

## BALANCE SHEET

31ST JULY 2002

	Note	2002 £	£	2001 £	£
<b>Fixed Assets</b>					
Tangible assets	4		56,725		78,971
<b>Current Assets</b>					
Debtors	5	201,679		209,905	
Cash at bank and in hand		<u>16,056</u>		<u>14,413</u>	
		217,735		224,318	
<b>Creditors: Amounts falling due within one year</b>	6	<u>394,248</u>		<u>398,973</u>	
<b>Net Current Liabilities</b>			(176,513)		(174,655)
<b>Total Assets Less Current Liabilities</b>			<u>(119,788)</u>		<u>(95,684)</u>
<b>Capital and Reserves</b>					
Called-up equity share capital	8	30,000		30,000	
Profit and Loss Account		<u>(149,788)</u>		<u>(125,684)</u>	
<b>Deficiency</b>			<u>(119,788)</u>		<u>(95,684)</u>

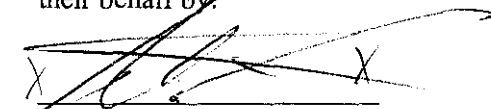
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

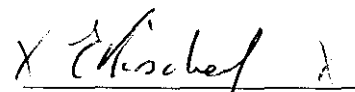
The directors acknowledge their responsibilities for:

- ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- 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 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 22.6.03 and are signed on their behalf by:

  
Director

  
Director

The notes on pages 5 to 7 form part of these financial statements.

# REALTY, THE LONDON PROPERTY BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2002

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### 1. Accounting Policies

#### Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards, 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.

#### 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:

Leasehold Property	- over 10 years
Motor Vehicles	- 25% p.a. on reducing balance basis
Equipment	- 15% p.a. on straight line basis

#### Deferred Taxation

Full provision without discounting is made for all timing differences which have arisen but not reversed at the balance sheet date. Provision is made for future taxation on gains on revalued assets only where a binding agreement to dispose of the asset exists at the year end. Deferred tax assets are only recognised to the extent that the Directors consider that it is more likely than not there will be suitable profits from which the future reversal of the underlying timing differences can be deducted.

### 2. Other Operating Income

	2002	2001
	£	£
Rent receivable	<u>55,000</u>	<u>50,000</u>

### 3. Operating (Loss)/Profit

Operating (loss)/profit is stated after charging:

	2002	2001
	£	£
Directors' emoluments	33,792	14,989
Depreciation of owned fixed assets	<u>16,679</u>	<u>19,460</u>

# REALTY, THE LONDON PROPERTY BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2002

### 4. Tangible Fixed Assets

	Leasehold Property £	Motor Vehicles £	Equipment £	Total £
<b>Cost</b>				
At 1st August 2001	106,503	18,750	38,100	163,353
Additions	—	—	4,427	4,427
Disposals	—	(18,750)	—	(18,750)
<b>At 31st July 2002</b>	<b>106,503</b>	<b>—</b>	<b>42,527</b>	<b>149,030</b>
<b>Depreciation</b>				
At 1st August 2001	55,025	8,756	20,601	84,382
Charge for the year	10,650	—	6,029	16,679
On disposals	—	(8,756)	—	(8,756)
<b>At 31st July 2002</b>	<b>65,675</b>	<b>—</b>	<b>26,630</b>	<b>92,305</b>
<b>Net Book Value</b>				
<b>At 31st July 2002</b>	<b>40,828</b>	<b>—</b>	<b>15,897</b>	<b>56,725</b>
At 31st July 2001	51,478	9,994	17,499	78,971

### 5. Debtors

	2002 £	2001 £
Trade debtors	1,738	16,737
Other debtors	199,941	193,168
	<b>201,679</b>	<b>209,905</b>

### 6. Creditors: Amounts falling due within one year

	2002 £	2001 £
Corporation tax	—	2,829
Other taxes and social security	3,952	1,589
Other creditors	390,296	394,555
	<b>394,248</b>	<b>398,973</b>



# REALTY, THE LONDON PROPERTY BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2002

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### 7. Related Party Transactions

The company is controlled by Messrs. Kirschel and Fattal, the shareholders.

Included in other debtors is £146,524 (2001: £141,524) owed by Consolidated Property Corporation Inc. Limited, a company in which L. Kirschel has an interest as director and shareholder, and a £44,550 (2001: £39,881) owed by Consolidated Property Corporation Limited, a company in which L. Kirschel and N. Fattal have interests as directors and shareholders.

Included in other creditors is £380,000 (2001: £380,000) owed to Consolidated Developments Limited, a company in which L. Kirschel has an interest as director and shareholder.

During the year, the company charged rent of £40,000 (2001: £40,000) to Consolidated Property Corporation Limited, and £15,000 (2001: £10,000) to Consolidated Property Corporation Inc. Limited.

In addition, the company paid rent of £50,000 (2001: £49,349) to Mr. Kirschel.

The company charged the estate agency fees in the normal course of business to Mr. Kirschel of £4,694 (2001: £Nil). Management fees of £100,000 (2001: £100,000) were charged to Consolidated Developments Limited.

### 8. Share Capital

#### Authorised share capital:

	2002	2001
	£	£
30,000 Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>

#### Allotted, called up and fully paid:

	2002	2001
	£	£
Ordinary share capital	<u>30,000</u>	<u>30,000</u>

### 9. Clients' Monies

At 31 July 2002, the company held a total of £11,964 (2001: £19,922) for the benefit of certain clients in designated client accounts.