

Company Registration Number: 3457908

**BRITANNICA DEVELOPMENTS
LIMITED**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2003**



Britannica Developments Limited

For the Year Ended 31 December 2003

Directors	D O'Brien Mrs A O'Brien Mrs M J Greenaway D A O'Brien
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Secretary	Mrs A O'Brien
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Registered Office	c/o Numerica LLP South Central 11 Peter Street Manchester M2 5LG
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Advisors and Accountants	Numerica LLP South Central 11 Peter Street Manchester M2 5LG
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Britannica Developments Limited

For the Year Ended 31 December 2003

Directors' Report

The Directors submit their report to the shareholders, together with the accounts, for the year ended 31 December 2003.

Principal Activity

The principal activity of the company continues to be the provision of holiday accommodation through its US branch.

Directors and their Interests

The Directors holding office do not have any beneficial interest in the share capital of the company.

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

By Order of the Board



D O'Brien
Managing Director

Date: 21.12.03

Accountants' Report

To the Directors of Britannica Developments Limited

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 2003, set out on pages 4 to 11, and you consider that the Company is exempt from an audit and a report under section 249A(2) of the Companies Act 1985. In accordance with your instructions we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Numerica

Date: *20 December 2004*

Numerica LLP

Britannica Developments Limited**Profit and Loss Account****For the Year Ended 31 December 2003**

	Note	2003 £	2002 £
Turnover	1	6,099	9,393
Administrative expenses		7,002	(17,697)
Operating profit/(loss)	3	13,101	(8,304)
Interest receivable and similar income	2	564	1,560
		13,665	(6,744)
Profit on sale of fixed assets		40,165	-
Profit/(Loss) on ordinary activities before taxation		53,830	(6,744)
Taxation on profit/(loss) on ordinary activities	4	-	194
Transfer to/(from) reserves	9	53,830	(6,550)

Statement of Total Recognised Gains and Losses

There are no recognised gains and losses in the year other than the profit for the year.

Britannica Developments Limited**Balance Sheet****At 31 December 2003**

	Note	2003 £	2002 £
Fixed assets			
Tangible assets	5	571,860	377,529
Current assets			
Debtors	6	10,071	4,553
Cash at bank and in hand		41,649	-
		51,720	4,553
Creditors			
Amounts due within one year	7	(527,341)	(339,673)
Net current liabilities		(475,621)	(335,120)
Net assets		96,239	42,409
Capital and reserves			
Called up share capital	8	64,000	64,000
Profit and loss account	9	32,239	(21,591)
Total equity shareholders' funds	10	96,239	42,409

Statement of the Directors

- a) In the directors' opinion the Company was entitled to exemption from an audit of its accounts for the year by virtue of section 249A(1) of the Companies Act 1985 (the Act), and no member or members have requested an audit pursuant to section 249B(2) of the Act.
- b) The directors acknowledge their responsibility for:
- (i) Ensuring that the Company keeps 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 at the end of each financial year and of its profit or loss for the year in accordance with the requirements of Section 226 of the Act, and which otherwise comply with the requirements of the Act, so far as applicable to the Company.

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Date 21.12.03



D O'Brien
Director

Britannica Developments Limited

Accounting Policies

For the Year Ended 31 December 2003

Basis of accounting

The financial statements have been prepared under the historical cost basis of accounting and in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE) (effective June 2002). The following principal accounting policies have been applied:

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year. All turnover relates to continuing activities.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets over their expected useful lives. The principle rates are as follows:

Freehold property	- 27.5 years on a straight line basis
Fixtures and fittings	- between 2.5 and 5 years on reducing balance or straight line bases

Cash flow statement

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No.1 and has not produced a cash flow statement on the grounds that it is a small company under the Companies Act 1985.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Non monetary assets and liabilities are recorded at the average rate ruling in the year the expenditure was incurred.

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 receive less or to receive more, tax, with the following exception:

- Deferred tax assets are only recognised 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.
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Britannica Developments Limited

Notes to the Accounts

For the Year Ended 31 December 2003

	2003	2002
	£	£

1 Turnover

Overseas turnover amounted to 100% (2002 - 100%) of the total turnover for the year.

2 Interest receivable

Bank interest	556	1,558
Other interest	8	2
	<hr/>	<hr/>
	564	1,560

3 Operating profit/(loss)

This is stated after including :

Depreciation of tangible fixed assets	14,374	7,664
Profit on sale of fixed assets	40,165	-
Net gain on foreign currency transactions	(50,723)	(7,308)

Britannica Developments Limited

Notes to the Accounts

For the Year Ended 31 December 2003

	2003 £	2002 £
4 Taxation		
UK corporation tax on profits for the year	-	-
Overprovision of prior year corporation tax	-	(194)
	-	(194)

Reconciliation of Current Year Taxation Charge

The standard rate of corporation tax for the year, based on the UK standard rate of corporation tax is 0% (2002 - 0%)

Profit/(Loss) on ordinary activities before taxation	53,830	(6,744)
Tax on profit on ordinary activities at standard rate	-	-

Deferred taxation

The company has tax trading losses at 31 December 2003 of £5,346 (2002 - £12,415). The company also has a deferred tax asset in relation to depreciation given in excess of capital allowances claimed of £111 (2002 - £15,981). Neither asset has been included in the accounts as the expected standard rate of corporation tax applicable when the amounts are utilised is 0%.

Britannica Developments Limited

Notes to the Accounts

For the Year Ended 31 December 2003

	Payments on Account & Assets in the Course of Construction £	Freehold Property £	Fixtures & Fittings £	Total £
5 Tangible fixed assets				
Cost:				
At 1 January 2003	329,892	52,290	17,138	399,320
Transfers	(329,892)	329,892	-	-
Additions	-	209,169	47,174	256,343
Disposals	-	(52,290)	(17,139)	(69,429)
At 31 December 2003	-	539,061	47,173	586,234
Depreciation:				
At 1 January 2003	-	9,837	11,954	21,791
Charge for the year	-	4,939	9,435	14,374
Disposals	-	(9,837)	(11,954)	(21,791)
At 31 December 2003	-	4,939	9,435	14,374
Net book value:				
At 31 December 2003	-	534,122	37,738	571,860
At 31 December 2002	329,892	42,453	5,184	377,529
			2003	2002
			£	£
6 Debtors				
Other debtors			10,071	4,553
All amounts shown under debtors fall due for payment within one year.				

Britannica Developments Limited

Notes to the Accounts

For the Year Ended 31 December 2003

	2003 £	2002 £
7 Creditors		
Amounts falling due within one year:		
Bank overdraft	-	4,834
Bank loans	118,161	-
Other loans	399,640	307,612
Directors' loans	4,676	22,672
Corporation tax	-	-
Other creditors	279	-
Accruals and deferred income	4,585	4,555
	527,341	339,673

The other loans are interest free and repayable upon demand. The bank loan is on a normal commercial basis.

8 Share capital

Authorised:

Ordinary shares of £1 each

500,000

500,000

Allotted, called up and fully paid:

Ordinary shares of £1 each

64,000

64,000

9 Profit and loss account

At 1 January 2003

(21,591)

(15,041)

Profit/(Loss) for the year

53,830

(6,550)

At 31 December 2003

32,239

(21,591)

Britannica Developments Limited

Notes to the Accounts

For the Year Ended 31 December 2003

	2003 £	2002 £
10 Reconciliation of movements in shareholders' funds		
Profit/(Loss) for the financial year	53,830	(6,550)
Opening shareholders' funds	42,409	48,959
Closing shareholders' funds	96,239	42,409

11 Related Party Transactions

Mr D O'Brien and Mrs A O'Brien are the Trustees of The D & A O'Brien 1985 discretionary settlements. They are also included in the class of beneficiaries of each settlement. The Trustees have provided an interest free loan to the company. The loan is repayable on demand. The amount outstanding at 31 December 2003 was £399,640 (2002 - £307,612).

Mr D O'Brien and Mrs A O'Brien (directors) had use of the holiday accommodation owned by the company during the year. A normal commercial charge has been made for this. The amount during the year ended 31 December 2003 was £6,511 (2002 - £5,040).

12 Control

The Company is controlled by Mr & Mrs O'Brien in their capacity as Directors and Trustees of the Mr & Mrs O'Brien 1985 Settlements who own the entire share capital of the company.