

EARLIBA FINANCE COMPANY LIMITED

FINANCIAL STATEMENTS

31 MARCH 2002



FI SK & Co  
Chartered Certified Accountants  
Registered Auditors  
International House  
South Street  
Ipswich  
IP1 3NU

EARLIBA FINANCE COMPANY LIMITED

Director: Mrs L M Thompson  
Secretary: G Farley  
Registered Office: 12 Upper Brook Street  
Ipswich  
Suffolk  
Company Number: 657354

Page

1 - 2	Directors Report
3	Auditors Report
4	Profit and Loss Account
5	Balance Sheet
6 - 8	Notes to the Financial Statements

## EARLIBA FINANCE COMPANY LIMITED

## DIRECTORS REPORT

The Director presents the report together with the accounts for the year ended 31 March 2002.

The Director of the Company and her shareholding at 31 March was:-

	2002	2001
L M Thompson	146	146

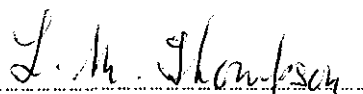
The principal activity of the Company is the letting of its residential properties.

The profit for the year after tax was £149,021 (2001: £98,187). No dividend has been paid.

A resolution to reappoint FISK & Co and to authorise the Director to fix their remuneration will be proposed in accordance with Section 384 of the Companies Act 1985, at the Annual General Meeting.

#### Small Company Rules

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies. This report was approved by the board on and signed on its behalf.



Mrs L M Thompson  
Director

29-1-2003

Date

#### Registered Office:

12 Upper Brook Street  
Ipswich  
Suffolk  
IP4 1EE

EARLIBA FINANCE COMPANY LIMITED

PREPARATION OF FINANCIAL STATEMENTS

31 MARCH 2002

Company law requires the director 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 and loss of the company for that period. In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 him to ensure that the financial statements comply with the Company Act 1985. He is 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.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF  
EARLIBA FINANCE COMPANY LIMITED

We have audited the financial statements set out on pages 4 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2002) under the historical cost convention and the accounting policies set out on pages 6 to 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the company's director is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF 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 director 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.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

FIK & Co  
Registered Auditors  
Chartered Certified Accountants  
International House  
South Street  
Ipswich  
IP1 3NU

FIK & Co

Date: 29/1/03

## EARLIBA FINANCE LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2002

	Notes	2002 £	2001 £
Turnover	2	483,855	444,750
Cost of sales		234,743	279,863
		-----	-----
		249,112	164,887
Administration costs		43,947	38,470
		-----	-----
Operating Profit	3	205,165	126,417
Interest receivable		3,688	4,330
		-----	-----
Profit on ordinary activities before taxation		208,853	130,747
Taxation	5	59,832	32,560
		-----	-----
Profit on ordinary activities after taxation		149,021	98,187
Dividends		-	-
		-----	-----
Retained profit/(loss) for year		149,021	98,187
Retained profit 1 April 2001		495,557	397,370
		-----	-----
Retained profit 31 March 2002		<u>£644,578</u>	<u>£495,557</u>

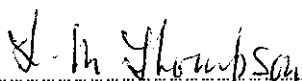
The notes on pages 6 to 8 form part of these financial statements.

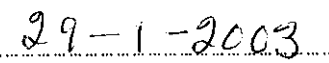
## EARLIBA FINANCE COMPANY LIMITED

BALANCE SHEET  
AS AT 31 MARCH 2002

	Notes	2002 £	2001 £
Fixed Assets			
Tangible assets	5	311,158	305,958
Current Assets			
Debtors	6	73,858	52,112
Cash at bank		322,126	247,669
		395,984	299,781
Creditors			
Amounts falling due within one year	7	62,418	110,036
Net current assets		333,566	189,745
Total assets less current liabilities		644,724	495,703
Deferred taxation	4	-	-
Total net assets		<u>£644,724</u>	<u>£495,703</u>
Capital and Reserves			
Called up share capital	8	146	146
Profit and loss account		644,578	495,557
		<u>£644,724</u>	<u>£495,703</u>

The financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2002) were approved by the board on \_\_\_\_\_ and signed on its behalf.

  
 \_\_\_\_\_  
 Mrs L M Thompson  
 Director

  
 \_\_\_\_\_  
 Date of approval

The notes on pages 6 to 8 form part of these financial statements.

## EARLIBA FINANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
31 MARCH 2002

## 1 Accounting Policies

## (a) Basis of accounting

The financial statements of the company are prepared under the historical cost convention.

## (b) Turnover

Turnover represents rents receivable net of value added tax.

## (c) Tangible Assets

Land is not depreciated. Properties held for rental income are maintained to ensure that their value does not diminish over time. In the opinion of the Director depreciation is not appropriate as the residual value of these properties is greater than historical cost.

Depreciation is provided at the following rates on other assets in order to write off each asset over its estimated useful life:-

Equipment and motor vehicles        -        25% on written down value

2 Turnover and pre tax profits are attributable to the company's main activity, and arise entirely in the United Kingdom.

## 3 Operating Profits

Are stated after charging:

	2002	2001
	£	£
Auditors remuneration	1,600	1,600
Depreciation - owned assets	5,300	7,133
Director's emoluments	25,000	15,000
And after crediting:		
Rents receivable	483,855	444,750
	-----	-----



## EARLIBA FINANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
31 MARCH 2002  
CONTINUED

## 4.1 Taxation

The charge on the profits of the ordinary activities was as follows:-

	2002 £	2001 £
Corporation tax	59,832	32,560
Deferred taxation	-	-
	-----	-----
	59,832	32,560
	-----	-----

4.2 No deferred tax liability exists.

## 5 Tangible Fixed Assets

	Freehold land & buildings	Plant & Equipment	Total
Cost			
At 1 April 2001	284,557	50,805	335,362
Additions	-	10,500	10,500
Disposals	-	-	-
	-----	-----	-----
31 March 2002	284,557	61,305	345,862
	-----	-----	-----
Depreciation			
At 1 April 2001	-	29,404	29,404
Charge for year	-	5,300	5,300
	-----	-----	-----
31 March 2002	-	34,704	34,704
	-----	-----	-----
Net value			
31 March 2002	284,557	26,601	311,158
	=====	=====	=====
31 March 2001	284,557	21,401	305,958
	=====	=====	=====

Freehold property relates solely to property held for residential letting.

## EARLIBA FINANCE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

CONTINUED

## 6 Debtors

	2002 £	2001 £
Trade debtors	65,858	44,632
Prepayments and sundry	8,000	7,480
Advance corporation tax	-	-
	-----	-----
	73,858	52,112
	-----	-----

## 7 Creditors: falling due within one year

	2002 £	2001 £
Dividend payable	-	-
Trade creditors	596	42,158
Accruals and provisions	2,000	3,600
Corporation tax	59,822	32,107
Other creditors	-	32,171
	-----	-----
	62,418	110,036
	-----	-----

## 8 Share Capital

	Authorised 2002 & 2001	Allotted, issued and fully paid	
		2002	2001
Ordinary shares of £1 each	1,000	146	146

9 There were no capital commitments at the year end.

## 10 Related Party Transactions

£12,650 (2001: £12,650) was paid to Macro (Ipswich) Limited, a company under common ownership to provide property maintenance services. At 31 March 2002 £Nil (2001: £32,169) was due to that company.

EARLIBA FINANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2002

CONTINUED

11 Control

The company was formerly controlled by A H V Thompson. The shares are currently held by his Executors, the ultimate beneficiary is his wife, Mrs L M Thompson.

12 Capital Commitments

No capital commitment contracts existed at the year end.

EARLIBA FINANCE COMPANY LIMITED

DETAILED REVENUE ACCOUNT  
YEAR ENDED 31 MARCH 2002

	2002 £	2001 £
Rents received	483,855	444,750
Less		
Management charges	64,049	60,059
Building maintenance	131,438	163,730
Insurance	30,098	36,494
Legal fees	4,990	4,221
Heat and light	562	777
Rates	3,296	3,803
Audit fee and valuation	2,080	1,800
Sundry Expenses	-	-
Bad debt provision	-	15,000
Tax Penalty	-	-
Depreciation	5,300	7,133
Bank charges	-	-
Salary including NI	11,877	10,316
Director's fee	25,000	15,000
	-----	-----
	278,690	318,333
	-----	-----
Operating Profit	205,165	126,417
	-----	-----
Interest received	3,688	4,330
	-----	-----
Profit/(Loss) before taxation	<u>£208,853</u>	<u>£130,747</u>