

JACK RABBIT PROPERTIES LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003



JACK RABBIT PROPERTIES LIMITED

COMPANY INFORMATION

Director M D Donaldson-Davidson

Secretary E M Williams

Company number 2662085

Registered office Brettingham House
98 Pottergate
Norwich
NR2 1EQ

Accountants Larking Gowen
King Street House
15 Upper King Street
Norwich
NR3 1RB

Business address Brettingham House
98 Pottergate
Norwich
NR2 1EQ

Bankers HSBC
155 Mile Cross Lane
Norwich
Norfolk
NR6 6RL

Solicitors Overburys
3 Upper King Street
Norwich
Norfolk
NR3 1RL

JACK RABBIT PROPERTIES LIMITED

CONTENTS

	Page
Director's report	1
Profit and loss account	2
Statement of total recognised gains and losses	3
Balance sheet	4 - 5
Notes to the financial statements	6 - 10

JACK RABBIT PROPERTIES LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2003

The director presents his report and financial statements for the year ended 31 March 2003.

Principal activities

The principal activity of the company continued to be that of the ownership, letting, and eventual sale of residential property, utilising the provisions of the Business Expansion Scheme.

Director

The following director has held office since 1 April 2002:

M D Donaldson-Davidson

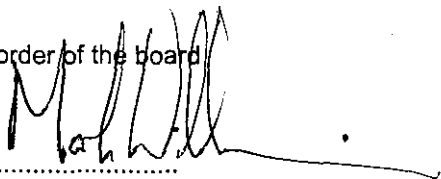
Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	31 March 2003	1 April 2002
M D Donaldson-Davidson	35,000	35,000

This report 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



E M Williams

Secretary

14 JANUARY 2004

JACK RABBIT PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2003

	Notes	2003 £	2002 £
Turnover		18,365	14,624
Cost of sales		(2,730)	(7,440)
Gross profit		15,635	7,184
Administrative expenses		(3,246)	(1,760)
Operating profit		12,389	5,424
Investment income	2	10	64
Other interest receivable and similar income		10	-
Interest payable and similar charges		(8,001)	(10,325)
Profit/(loss) on ordinary activities before taxation		4,408	(4,837)
Tax on profit/(loss) on ordinary activities	3	(2,333)	(2,297)
Profit/(loss) on ordinary activities after taxation	11	2,075	(7,134)

JACK RABBIT PROPERTIES LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2003

	2003 £	2002 £
Profit/(loss) for the financial year	2,075	(7,134)
Unrealised (deficit)/surplus on revaluation of properties	(9,500)	69,350
Unrealised deficit on trade investment	(397)	(8,283)
Total recognised gains and losses relating to the year	<u>(7,822)</u>	<u>53,933</u>

JACK RABBIT PROPERTIES LIMITED

BALANCE SHEET AS AT 31 MARCH 2003

	Notes	2003 £	£	2002 £	£
Fixed assets					
Tangible assets	4 and 5	294,500		304,000	
Investments	6	16,768		17,165	
		<u>311,268</u>		<u>321,165</u>	
Current assets					
Debtors	7	2,769		2,532	
Cash at bank and in hand		4,894		-	
		<u>7,663</u>		<u>2,532</u>	
Creditors: amounts falling due within one year	8	<u>(141,757)</u>		<u>(141,034)</u>	
Net current liabilities			(134,094)		(138,502)
Total assets less current liabilities			<u>177,174</u>		<u>182,663</u>
Provisions for liabilities and charges	9		<u>(23,586)</u>		<u>(24,025)</u>
			<u>153,588</u>		<u>158,638</u>
Capital and reserves					
Called up share capital	10	35,000		35,000	
Revaluation reserve	11	131,384		138,509	
Profit and loss account	11	(12,796)		(14,871)	
Shareholders' funds			<u>153,588</u>		<u>158,638</u>

JACK RABBIT PROPERTIES LIMITED

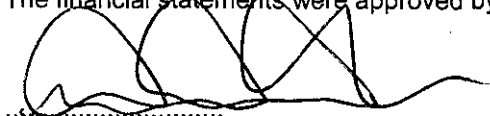
BALANCE SHEET (CONTINUED) AS AT 31 MARCH 2003

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) 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 this Act relating to accounts, so far as applicable to the company.

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 14 JANUARY 2004



M D Donaldson-Davidson
Director

JACK RABBIT PROPERTIES 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 modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

Turnover represents the value of rents receivable from tenants.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	50 % on the straight line basis
--------------------------------	---------------------------------

Investment properties are revalued annually and included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

Although this accounting policy is in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the director compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Investment income

	2003	2002
	£	£
Income from fixed asset investments	10	64

JACK RABBIT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2003

3 Taxation	2003	2002
	£	£
Domestic current year tax		
U.K. corporation tax	-	4,662
Tax credits on franked investment income	-	(32)
	<hr/>	<hr/>
Current tax charge	-	4,630
Deferred tax		
Deferred tax charge/credit current year	2,333	(2,333)
	<hr/>	<hr/>
	2,333	2,297
	<hr/>	<hr/>
4 Tangible fixed assets		
		Fixtures, fittings and equipment £
Cost or valuation		
At 1 April 2002 & at 31 March 2003		310
		<hr/>
Depreciation		
At 1 April 2002 & at 31 March 2003		310
		<hr/>
Net book value		
At 31 March 2003		-
		<hr/>

JACK RABBIT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2003

5 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 April 2002	304,000
Revaluation	(9,500)
At 31 March 2003	<u>294,500</u>

The valuations of investment properties were made as at 31 March 2003 by the directors, on an open market basis assuming vacant possession and have been included after a deduction of 5% to represent estimated selling costs. No depreciation is provided in respect of these properties.

All properties are freehold.

On an historical cost basis these would have been included at an original cost of £131,624 (2002-£131,624), and aggregate depreciation of £ Nil (2002-£Nil).

6 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 April 2002	2,165	15,000	17,165
Revaluation	(397)	-	(397)
At 31 March 2003	<u>1,768</u>	<u>15,000</u>	<u>16,768</u>

7 Debtors

	2003 £	2002 £
Other debtors	<u>2,769</u>	<u>2,532</u>

8 Creditors: amounts falling due within one year

	2003 £	2002 £
Bank loan and overdraft	-	4,092
Taxation and social security	-	4,662
Other creditors	<u>141,757</u>	<u>132,280</u>
	<u>141,757</u>	<u>141,034</u>

JACK RABBIT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2003

9 Provisions for liabilities and charges

	Deferred taxation £
Balance at 1 April 2002	24,025
Profit and loss account	2,333
Revaluation reserve	(2,772)
	<u>23,586</u>
Balance at 31 March 2003	<u>23,586</u>

10 Share capital

	2003 £	2002 £
Authorised		
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>
Allotted, called up and fully paid		
35,000 Ordinary shares of £1 each	<u>35,000</u>	<u>35,000</u>

11 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 April 2002	138,509	(14,871)
Retained profit for the year	-	2,075
Revaluation during the year	(9,897)	-
Deferred taxation	2,772	-
	<u>131,384</u>	<u>(12,796)</u>
Balance at 31 March 2003	<u>131,384</u>	<u>(12,796)</u>

The company has non distributable reserves of £131,384 (2002: £138,509) as defined by Section 263 of the Companies Act 1985.

12 Transactions with directors

M D Donaldson-Davidson, the sole director of Jack Rabbit Properties Limited made a loan to the company during the year.

Amounts outstanding as at 31st March 2003 = £130,631 (2002: £118,356)

Maximum amounts outstanding during the year = £130,631 (2002: £148,856)

Interest outstanding as at 31st March 2003 = £7,979 (2002: £9,200)

JACK RABBIT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2003

13 Control

M D Donaldson-Davidson, the sole director, holds 100% of the issued share capital of the company and therefore is in ultimate control of the company.

14 Related party transactions

During the year Jack Rabbit Properties Limited provided services to Longday Foods Limited, a company under the control of M D Donaldson-Davidson, amounting to £1,900.