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LAILEY LIMITED

COMPANY NUMBER: 3037007

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 2003



NEWTON, MAGNUS & COMPANY

CHARTERED CERTIFIED ACCOUNTANTS

**Arrowsmith Court
Station Approach
Broadstone**



LAILEY LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2003

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LAILEY LIMITED

DIRECTORS REPORT

Directors: R C Lailey
J Lailey

Secretary: J Lailey

Registered Office: 25 Harewood Avenue, Bournemouth, Dorset BH7 6NJ

The Directors present their annual report and financial statements for the year ended 30th April 2003.

ACTIVITIES

The principal activity of the Company of supplying computer consultancy services remained unchanged throughout the year under review.

DIRECTORS

The Directors who have served during the year under review, together with their interest in the capital of the Company, were as follows

	<u>£1 Ordinary shares</u>		<u>£1 ordinary non voting shares</u>	
	<u>30.4.2003</u>	<u>31.4.2002</u>	<u>30.4.2003</u>	<u>31.4.2002</u>
Richard C Lailey	1	2	5	5
J Lailey	1	-	1	-

SMALL COMPANIES

The directors report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD



J Lailey
Director

LAILEY LIMITED**PROFIT & LOSS ACCOUNT****YEAR ENDED 30TH APRIL 2003**

	<u>Notes</u>	<u>2003</u> £	<u>2002</u> £
<u>TURNOVER</u>		82,485	72,440
LESS Administrative expenses		40,253	76,012
		<hr/>	<hr/>
<u>OPERATING PROFIT (2002 LOSS)</u>	3	42,232	(3,572)
<u>OTHER INCOME</u>			
Interest received		1	15
		<hr/>	<hr/>
<u>PROFIT (2002 LOSS) ON ORDINARY ACTIVITIES</u> before taxation		42,233	(3,557)
Taxation	4a	6,086	(294)
		<hr/>	<hr/>
<u>PROFIT (2002 LOSS) ON ORDINARY ACTIVITIES</u> after taxation		36,147	(3,263)
LESS Dividends paid	7	38,568	3,000
		<hr/>	<hr/>
		(2,421)	(6,263)
Balance on profit and loss account brought forward		9,002	15,265
		<hr/>	<hr/>
<u>Balance on profit and loss account carried forward</u>		£6,581	£9,002
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 5 to 8 form part of these accounts.

LAILEY LIMITED

BALANCE SHEET AS AT 30TH APRIL 2003

	<u>Notes</u>	<u>2003</u> £	<u>2002</u> £
<u>FIXED ASSETS</u>			
Tangible assets	1b & 2	9,673	8,654
<u>CURRENT ASSETS</u>			
Debtors		5,742	-
Cash at bank and in hand		7,407	11,379
		13,149	11,379
<u>CREDITORS - amounts falling due within 1 year</u>	6	16,233	11,023
<u>NET CURRENT LIABILITIES (2002 ASSETS)</u>		(3,084)	356
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		6,589	9,010
<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>			
Deferred taxation	4b	-	-
<u>NET ASSETS</u>		£6,589	£9,010
<u>REPRESENTED BY:-</u>			
<u>CAPITAL AND RESERVES</u>			
Called up share capital	5	8	8
Profit and loss account		6,581	9,002
<u>SHAREHOLDERS FUNDS</u>		£6,589	£9,010

The notes on pages 5 to 8 form part of these accounts.

LAILEY LIMITED

BALANCE SHEET AS AT 30TH APRIL 2003

continued

In approving these financial statements as directors of the company we hereby confirm:

- a) that for the year in question the company was entitled to the exemption conferred by section 249A(1) of the Companies Act 1985;
- b) that members have not required the company to obtain an audit of its accounts for the year ended 30th April 2003 in accordance with section 249B(2); and
- c) that we acknowledge our responsibilities for:
 - i) ensuring that the company keeps accounting records which comply with section 221, 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 for the year in accordance with the requirements of section 226, and which otherwise comply with the provisions of the Companies Act 1985 relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions for small companies under part VII of the Companies Act 1985.

These accounts were approved by the board on the 16th July 2003 and signed on its behalf:

Approved by: Rick Lailey.....

R C Lailey
Director

LAILEY LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 30TH APRIL 2003

1 STATEMENT OF ACCOUNTING POLICIES

- a) The accounts have been prepared in accordance with the accounting concepts set out in the Financial Reporting Standard for Smaller Entities (effective June 2002). The accounting policies adopted by the company are set out as part of these notes and unless otherwise specifically stated have been consistently applied for the current and preceding years.

b) Depreciation

Depreciation has been provided for on the fixed assets of the company calculated to write off cost less any residual value over the expected useful life of the asset on the following bases:

Office furniture and equipment	25% per annum on reducing balance
Computer equipment	25% per annum on cost

c) Turnover

Turnover represents the value of services supplied for ordinary activities, and is stated after sales discounts and net of VAT.

d) Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences.

e) Pension costs

Pension costs are charged to profit and loss account when paid by the company.

LAILEY LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 30TH APRIL 2003

2 TANGIBLE FIXED ASSETS

<u>COST</u>	<u>Computer Equipment</u> £	<u>Office Furniture & Equipment</u> £	<u>Total</u> £
Opening balance	29,562	-	29,562
Additions	6,949	628	7,577
Eliminated	(14,028)	-	(14,028)
	<hr/>	<hr/>	<hr/>
Closing balance	22,483	628	23,111
	<hr/>	<hr/>	<hr/>

DEPRECIATION

Opening balance	20,908	-	20,908
Charge for the year	6,401	157	6,558
Eliminated	(14,028)	-	(14,028)
	<hr/>	<hr/>	<hr/>
Closing balance	13,281	157	13,438
	<hr/>	<hr/>	<hr/>

NET BOOK VALUE

30th April 2003	£9,202	£471	£9,673
	<hr/>	<hr/>	<hr/>
30th April 2002	£8,654	£-	£8,654
	<hr/>	<hr/>	<hr/>

3 OPERATING PROFIT / LOSS

	<u>2003</u> £	<u>2002</u> £
This is stated after charging:		
Directors emoluments for management services	9,692	46,323
Depreciation	6,558	8,427
	<hr/>	<hr/>

LAILEY LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 30TH APRIL 2003

4 TAXATION

	<u>2003</u>	<u>2002</u>
	£	£
a) The charge for the year is made up as follows:		
Corporation tax on profits for the year	6,091	-
Provision for deferred taxation - written back	-	(294)
Interest on tax overpaid	(5)	-
	<hr/>	<hr/>
	6,086	(294)
	<hr/>	<hr/>

b) Deferred taxation

There is no deferred liability to Corporation Tax at 30th April 2003 (2002 NIL).

5 SHARE CAPITAL

	<u>2003</u>	<u>2002</u>
	£	£
<u>Authorised share capital</u>		
Ordinary shares of £1 each	1,000	1,000
Ordinary non voting shares of £1 each	1,000	1,000
	<hr/>	<hr/>
<u>Allotted, issued and fully paid</u>		
Ordinary shares of £1 each	2	2
Ordinary non voting shares of £1 each	6	6
	<hr/>	<hr/>

6 CREDITORS - amounts falling due within one year

	<u>2003</u>	<u>2002</u>
	£	£
Other taxes and Social Security	4,176	4,177
Sundry creditors & accruals	1,400	1,550
Corporation tax	6,091	-
Directors loan accounts	4,566	5,296
	<hr/>	<hr/>
	16,233	11,023
	<hr/>	<hr/>

7 DIVIDENDS - in respect of ordinary shares

	<u>2003</u>	<u>2002</u>
	£	£
Paid	4,000	3,000
Proposed	-	-
	<hr/>	<hr/>

In respect of non - voting shares

Paid	38,568	-
Proposed	-	-
	<hr/>	<hr/>

LAILEY LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 30TH APRIL 2003

8 PENSION CONTRIBUTIONS

The company paid pension contributions for the benefit of one director, Mr R C Lailey totalling £2000 (2002 £2099). There were no outstanding or prepaid contributions in respect of the year under review.

9 RELATED PARTY TRANSACTIONS

The company was under the control of Mr R C Lailey throughout the current and previous year. Mr Lailey is the majority shareholder.