

WILLOWCOMBE LIMITED

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FINANCIAL ACCOUNTS FOR THE  
YEAR ENDED 31ST DECEMBER 1999



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GRAHAM COHEN & CO LIMITED  
ACCOUNTANTS

WILLOWCOMBE LIMITED

DIRECTORS:

R A Austin  
H M Austin  
C H Bowden  
S M Lupton

SECRETARY:

R A Austin

REGISTERED OFFICE:

16 South End  
Croydon  
Surrey  
CR0 1DN

REGISTERED NUMBER:

1215712

BANKERS:

National Westminster Bank Plc  
6 High Street  
Teddington  
Middlesex  
TW11 8EP

ACCOUNTANTS:

Graham Cohen & Co Limited  
Accountants  
16 South End  
Croydon  
Surrey  
CR0 1DN

WILLOWCOMBE LIMITED  
FINANCIAL ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 1999

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WILLOWCOMBE LIMITED  
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST DECEMBER 1999

The directors present their annual report with the accounts of the company for the year ended 31st December 1999.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of property investment.

**DIRECTORS**

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	At	At
	31st December 1999	1st January 1999
R A Austin	5,900	5,900
H M Austin	2,900	2,900
C H Bowden	600	600
S M Lupton	600	600

**DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial accounts the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial accounts 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 them to ensure that the financial accounts comply with the Companies Act 1985. They are 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.

continued.....

WILLOWCOMBE LIMITED  
REPORT OF THE DIRECTORS (CONTINUED)  
FOR THE YEAR ENDED 31ST DECEMBER 1999

SMALL COMPANY EXEMPTIONS

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the  
board of directors

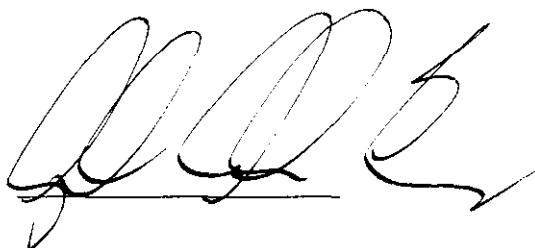
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R A Austin  
Secretary

24th July 2000

ACCOUNTANTS' REPORT  
ON THE UNAUDITED FINANCIAL STATEMENTS TO THE DIRECTORS OF  
WILLOWCOMBE LIMITED

As described on the balance sheet you are responsible for the preparation of the financial accounts for the year ended 31st December 1999, set out on pages 4 to 12, and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited financial accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



GRAHAM COHEN & CO LIMITED  
Accountants

16 South End  
Croydon  
Surrey  
CR0 1DN

Date: 18. 4. 2000

WILLOWCOMBE LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 1999

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
		£	£
TURNOVER	2	76,839	79,430
Net Operating Expenses			
Administrative Expenses		22,359	41,898
<u>OPERATING PROFIT</u>	3	54,480	37,532
Other Interest Receivable and Similar Income	4	3,636	11,133
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		58,116	48,665
Tax on Ordinary Activities	5	9,028	12,458
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		49,088	36,207
Dividends	14	14,406	-
<u>RETAINED PROFIT FOR THE YEAR</u>		£ 34,682	£ 36,207

The notes on pages 8 to 12 form part of these accounts.

WILLOWCOMBE LIMITEDSTATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31ST DECEMBER 1999

	<u>1999</u>	<u>1998</u>
	£	£
Profit for the financial year	49,088	36,207
Unrealised surplus on revaluation of Fixed Assets	<u>206,925</u>	<u>100,023</u>
Total Recognised gains and losses relating to the year	<u>256,013</u>	<u>136,230</u>



WILLOWCOMBE LIMITEDBALANCE SHEET  
AS AT 31ST DECEMBER 1999

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	7	1,450,225	1,097,874
<b>CURRENT ASSETS</b>			
Debtors	8	240,178	170,178
Cash at Bank and in Hand		124,605	208,296
		<u>364,783</u>	<u>378,474</u>
CREDITORS : Amounts Falling Due within One Year	9	(41,795)	(38,286)
<b>NET CURRENT ASSETS</b>		<u>322,988</u>	<u>340,188</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,773,213</u>	<u>1,438,062</u>
<b>PROVISION FOR LIABILITIES AND CHARGES</b>	13	(138,787)	(45,242)
		<u>£1,634,426</u>	<u>£1,392,820</u>
<b>CAPITAL AND RESERVES</b>			
Share Capital	10	10,000	10,000
Revaluation Reserve	11	354,414	170,189
Profit and Loss Account	11	1,270,012	1,212,631
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<u>£1,634,426</u>	<u>£1,392,820</u>

continued .....

WILLOWCOMBE LIMITEDBALANCE SHEET

(continued)

AS AT 31ST DECEMBER 1999

The directors consider that for the year ended 31st December 1999 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 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 accounts, 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 companies and with the Financial Reporting Standard for Smaller Entities.

Signed on behalf of the  
board of directors

A handwritten signature in black ink, appearing to read 'R A Austin', is written over a horizontal line.

R A Austin  
Director

Approved by the board: 24th July 2000

The notes on pages 8 to 12 form part of these accounts.

WILLOWCOMBE LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 1999**1. ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared under the historical cost convention as modified to incorporate the revaluation of certain fixed assets.

**Turnover**

Turnover represents net rents receivable.

**Tangible Fixed Assets**

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

Freehold Property	Nil% on cost or revalued amount
Plant and Equipment	15% on the reducing balance

**Deferred Taxation**

Deferred Taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

**Cash Flow Statement**

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

**2. TURNOVER**

The Turnover and Profit (1998 - Profit) before taxation for the year is attributable to the principal activity of the company which is property investment and rental of premises.

In the opinion of the Directors, all of the company's turnover took place within the UK (1997-100%).

**3. OPERATING PROFIT**

The Operating Profit (1998 - Profit) is stated after charging:

	<u>1999</u>	<u>1998</u>
	£	£
Depreciation of Tangible Fixed Assets	(14,294)	72

**4. OTHER INTEREST RECEIVABLE  
AND SIMILAR INCOME**

	<u>1999</u>	<u>1998</u>
	£	£
Bank Interest Received	3,636	11,133

WILLOWCOMBE LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 1999**5. TAXATION**

The tax charge on the profit on ordinary activities was as follows:

	<u>1999</u>	<u>1998</u>
	£	£
Corporation Tax	<u>9,028</u>	<u>12,458</u>

Corporation tax has been charged on the profit at 20.25% (1998 21%).

The charge for the year has been increased by expenditure not allowable for taxation.

**6. DIRECTORS' REMUNERATION**

	<u>1999</u>	<u>1998</u>
	£	£
Directors' Emoluments	<u>3,450</u>	<u>8,130</u>

**7. TANGIBLE FIXED ASSETS**

	Land & Buildings	Plant & Machinery etc	TOTAL
	£	£	£
<b>COST OR VALUATION</b>			
At 1st January 1999	1,097,696	1,021	1,098,717
Additions in year	165,079	-	165,079
Revaluations in year	300,469	-	300,469
Disposals in year	(113,165)	-	(113,165)
At 31st December 1999	<u>1,450,079</u>	<u>1,021</u>	<u>1,451,100</u>
<b>DEPRECIATION</b>			
At 1st January 1999	-	843	843
Charge for the year	-	31	31
At 31st December 1999	<u>-</u>	<u>874</u>	<u>874</u>
<b>NET BOOK VALUE</b>			
At 31st December 1999	<u>1,450,078</u>	<u>147</u>	<u>1,450,225</u>
At 31st December 1998	<u>1,097,696</u>	<u>178</u>	<u>1,097,874</u>

The historical cost of Freehold Land and Buildings included above at a valuation of £1,450,078 was £789,189 (1998- £885,340) and the aggregate depreciation thereon would have been £Nil (1998-£Nil).

WILLOWCOMBE LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 19998. DEBTORS

	<u>1999</u>	<u>1998</u>
	£	£
Amounts due within one year:		
Related Party- Cherryoak Limited	140,178	140,178
Related Party- Thurland Limited	100,000	30,000
	<u>240,178</u>	<u>170,178</u>

9. CREDITORS: Amounts Falling  
Due within One Year

	<u>1999</u>	<u>1998</u>
	£	£
Trade Creditors	4,845	-
Social Security and Other Taxes	-	990
Other Creditors	36,950	37,296
	<u>41,795</u>	<u>38,286</u>

Included in Other Creditors are:

Taxation	3,442	8,363
Director's Loan Account- R A Austin	16,086	19,723
Director's Loan Account- H M Austin	4,379	4,829
Director's Loan Account- C H Bowden	-	24
Proposed Dividend	10,440	2,000
Accruals and Other Creditors	2,603	2,357
	<u>36,950</u>	<u>37,286</u>

10. SHARE CAPITAL

	<u>1999</u>	<u>1998</u>
	£	£
Authorised £1 Ordinary Shares	10,000	10,000
Allotted, Called Up and Fully Paid	<u>10,000</u>	<u>10,000</u>

All of the above shares are equity shares.

WILLOWCOMBE LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 1999

**11. RESERVES**

	<u>Revaluation Reserve</u> £	<u>Profit &amp; Loss A/c</u> £
At 1st January 1999	170,189	1,212,630
Surplus on revaluation of Land & Buildings	206,925	-
Transfers to/from Profit & Loss	(22,700)	22,700
Retained Profit for the year	-	34,682
At 31st December 1999	<u>354,414</u>	<u>1,270,192</u>

In accordance with FRSSE properties owned by the company for investment purposes are shown at open market valuation. The valuations were carried out by R Austin, a director of the company. Any surplus or deficit is taken to the Revaluation Reserve.

**12. POST BALANCE SHEET EVENTS**

On 10th January 2000 the company acquired all of the issued shares of Cherryoak Limited for a consideration of £335,588. This was settled by the issue of two thousand four hundred and nine Willowcombe shares to Cherryoak Limited.

**13. PROVISION FOR LIABILITIES AND CHARGES**

<b>Provisions:</b>	<u>At Start of Year</u> £	<u>Movement</u> £	<u>At End of Year</u> £
Deferred Taxation (see below)	45,242	93,545	138,787
	<u>45,242</u>	<u>93,545</u>	<u>138,787</u>
Deferred taxation is attributable to:	<u>Provided</u>	<u>Unprovided</u>	
	<u>1999</u>	<u>1998</u>	<u>1999</u>
	£	£	£
Capital Gains	<u>138,787</u>	<u>45,242</u>	<u>-</u>

**14. DIVIDENDS**

	<u>1999</u> £	<u>1998</u> £
Dividends - Interim Paid	3,966	-
Final Proposed	10,440	-
	<u>14,406</u>	<u>-</u>

WILLOWCOMBE LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST DECEMBER 199915. RELATED PARTIES

The directors of the company are also directors of Cherryoak Limited and Thurland Limited.

During the year management fees of £14,800 (1987- £15,240) were charged by Cherryoak Limited to cover central overheads.

The ultimate controlling parties are Mr R Austin and Mrs H Austin.