

YELLOW DOOR PROPERTY COMPANY LIMITED

DETAILED PROFIT AND LOSS for the period ended 31st March 2000

				2000		1999
Turnover				1,656,836		607,356
Less Property Costs				1,244,168		481,533
Profit Share Interest				60,750		
				-----		-----
Gross Profit				351,918		125,823
Less: Management Expenses						
Directors Remuneration			0		0	
Admin Wages			500		1,800	
Telephone			1,251		1,703	
Motor Expenses			649		1,781	
Advertising & Stationery			14		63	
Travel Costs					332	
Entertainment			2,856		170	
Insurances			1,201		2,030	
Legal & Professional			2,518		515	
Equipment Repairs					97	
Accounting Costs			1,511		1,611	
Bank Charges			339		763	
Sundries			184		105	
Reference Materials and Photographs			151		0	
Depreciation			775		3,154	
			-----		-----	
Total Expenses				11,949		14,124
				-----		-----
				339,969		111,699
Interest Receivable				98		1,186
Interest Payable				35,993		13,824
				-----		-----
Profit Before Taxation				304,074		99,061
				=====		=====

YELLOW DOOR PROPERTY COMPANY LIMITED
NOTES TO THE ACCOUNTS AS AT 31st MARCH 2000

10 SHARE CAPITAL

	2000	1999
	£	£
Authorised Ordinary Shares £1 each	1,000	1,000
	=====	=====
Issued Ordinary Shares £1 each	1,000	1,000
	=====	=====

11 NON DISTRIBUTABLE RESERVES

Revaluation Reserve	2000	1999
	£	£
As at 1st Apr 1999	61,788	77,124
Reserves Realised in Year	(61,788)	(52,976)
Revaluations in the Year	40,324	37,640
	-----	-----
Total	40,324	61,788
	=====	=====

12 RECONCILIATION OF SHAREHOLDERS FUNDS

Shareholders Funds	2000	1999
As at 1st Apr 1999	302,820	240,488
Profit after Tax for the Year	243,012	77,668
Revaluation of Property	40,324	37,640
Release from Revaluation Reserve	(61,788)	(52,976)
	-----	-----
As at 31st Mar 2000	524,368	302,820
	=====	=====

13 TRANSACTIONS WITH DIRECTORS

There have been no significant transactions between the company and its directors which require disclosure

14 SIGNIFICANT TRANSACTIONS

On the 31st March 2000 contracts were exchanged for the sale of a property for £1,27m. This transaction has been included in the accounts and the amount has been shown as a debtor net of the deposit paid.

The balance of the monies was received on the 29th June 2000. Included in the costs to the sale is interest incurred between the 1st April and 29th June.

YELLOW DOOR PROPERTY COMPANY LIMITED

NOTES TO THE ACCOUNTS AS AT 31st MARCH 2000

6 STOCKS AND WORK IN PROGRESS

	2000	1999
Property Stocks	0	283,904
Kitchen Units	0	1,000
	-----	-----
	0	284,904
	=====	=====

7 DEBTORS

Amounts falling due within 12 months

	2000	1999
	£	£
Trade Debtors	1,143,244	244
	=====	=====

8 CREDITORS

Amounts falling due within one year

	2000	1999
	£	£
Bank Loans and Overdrafts	190,955	124,487
Other Loans	450,000	15,000
Corporation Tax	60,975	21,175
Directors Loan	18,019	18,019
Accrued Expenses	100,100	656
Other Creditors	18,134	18,134
	-----	-----
	838,183	197,471
	=====	=====
The Mortgages are secured by first charges		
on freehold properties owned by the Company		

9 PROVISIONS

	2000	1999
	£	£
Deferred Tax	10,081	17,021
Other Loans	=====	=====

YELLOW DOOR PROPERTY COMPANY LIMITED
NOTES TO THE ACCOUNTS AT 31st MARCH 2000

3) OPERATING PROFIT

This is stated after Charging:-

	2000	1999
	£	£
Depreciation	775	3,154
Directors Remuneration	0	0
Auditors Fees	350	350
	=====	=====

4 TAXATION

Corporation Tax has been provided for at the rate of 20%

	2000	1999
	£	£
Current Year	60,975	21,175
Prior Year	87	218
	61,062	21,393
	=====	=====

5 FIXED ASSETS

COST	Freehold	Property		Fixtures Fittings	Total
	Cost	Valuation	Total		
Cost as at 1st Apr 1999	136,191	78,809	215,000	10,601	225,601
Additions at Cost	174,595	0	174,595		174,595
Disposals	(136,191)	(78,809)	(215,000)	(7,501)	(222,501)
Revaluation during year		50,405	50,405		50,405
	-----	-----	-----	-----	-----
Total at 31st Mar 2000	174,595	50,405	225,000	3,100	228,100
DEPRECIATION					
As at 1st Apr 1999			0	8,972	8,972
Charge for Year			0	775	775
Disposals				(7,422)	(7,422)
			----	-----	-----
Total at 31st Mar 99			0	2,325	2,325
NET BOOK VALUE					
As at 31st Mar 2000			225,000	775	225,775
			=====	=====	=====
As at 31st Mar 1999			215,000	1,629	216,629
			=====	=====	=====

The valuation of the freehold properties has been done by a property surveyor and is considered to be the open market value at 31st march 2000.

The accompanying notes on pages 7 to 10 are an integral part of these financial statements

YELLOW DOOR PROPERTY COMPANY LIMITED

NOTES TO THE ACCOUNTS AS AT 31st MARCH 2000

1 ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and which are continuing.

Turnover

Turnover comprises Rental from Property Income, Management fees from consultancy on property Development and from the Sales of Developments owned by the company. Income is recognised when the transaction is subject to a legal contract

Work in Progress

Work in progress is valued at the lower of cost or net realisable value if in the Directors opinion the realisable value of the property is below the total project cost.

Tangible Fixed Assets

Tangible fixed assets are stated at cost or valuation less depreciation.

The company's policy under FRS15 is to revalue properties held for long-term rental at regular intervals and to take the revaluation to a non-distributable reserve after provision for taxation which might occur.

No depreciation is provided to the properties because the company considers these to be investment properties which are maintained regularly. Other fixed assets are depreciated over their useful lives on the following basis

Plant and Equipment	4 years straight line

2 TURNOVER

Turnover is analysed across the various activities as follows:-

	2000	1999
	£	£
Sales of Property	1,631,000	576,476
Rental Income	25,836	30,880
	-----	-----
	1,656,836	607,356

YELLOW DOOR PROPERTY COMPANY LIMITED

BALANCE SHEET AS AT 31st MARCH 2000

	notes	£	£	£	£
			2000		1999
TANGIBLE ASSETS					
Fixed Assets	5		225,775		216,629
CURRENT ASSETS					
Stocks	6	0		284,904	
Debtors	7	1,143,244		244	
Cash at Bank		3,613		15,535	
		-----		-----	
		1,146,857		300,683	
CURRENT LIABILITIES					
Creditors: Amounts falling due within one year	8	838,183		197,471	
		-----	308,674	-----	103,212
			-----		-----
NET ASSETS less CURRENT LIABILITIES			534,449		319,841
Provisions	9		10,081		17,021
			-----		-----
NET ASSETS			524,368		302,820
			=====		=====
CAPITAL AND RESERVES					
Share Capital	10	1,000		1,000	
Distributable Reserve		483,044		240,032	
Revaluation Reserve	11	40,324		61,788	
		-----		-----	
Shareholders Funds	12		524,368		302,820
			=====		=====

These financial statements have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies

Approved on behalf of the Board on 15th July 2000

.....W. E. C. Hughes

Director

YELLOW DOOR PROPERTY COMPANY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH 2000**

	Note	2000	1999
TURNOVER	2	1,656,836	607,356
Cost of Sales		1,304,918	481,533
GROSS PROFIT		351,918	125,823
Administration Expenses		11,949	14,124
OPERATING PROFIT		339,969	111,699
Interest Receivable		98	1,186
		340,067	112,885
Interest Payable		35,993	13,824
PROFIT BEFORE TAXATION	3	304,074	99,061
TAXATION	4	61,062	21,393
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		243,012	77,668
RESERVES at 31st Mar 1999		240,032	162,364
RESERVES at 31st Mar 2000	10	483,044	240,032

Continuing Operation
In the opinion of the Directors all operations are continuing

Recognised Gains and Losses

The company has recognised gains other than as shown above and these are explained in note 11 to the accounts

The accompanying notes on pages 7 to 10 are an integral part of these financial statements

YELLOW DOOR PROPERTY COMPANY LIMITED

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
YELLOW DOOR PROPERTY COMPANY LIMITED**

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2, the company's directors are responsible for the preparation of the 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 directors 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 as at 31st March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

.....
Colletta Smith Samuels
32A Billing Road
Northampton
NN1 5DQ

4) Statement of Directors' Responsibilities

Company Law requires the directors 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 or loss of the company for that period. In preparing those financial statements, 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 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 them to ensure that the financial statements 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.

This directors report has been prepared in accordance with the special provisions of part VII to the Companies Act 1985 relating to small companies

Signed on behalf of the Board

W. E. C. Hughes - Director

15th July 2000

YELLOW DOOR PROPERTY COMPANY LIMITED

DIRECTORS REPORT

The Directors have pleasure in presenting their Annual Report and Accounts of the Company for the year ended 31st March 2000.

1. Results and Dividends

The trading profit for the period after taxation amounted to £243,012 (1999 £77,668). The Directors do not recommend the payment of a Dividend.

2. Principal Activity and Review

The Principal Activity of the Company during the period was the development of property for rental income or resale. The Directors are of the opinion that the future prospects of the Company are satisfactory.

3. Directors and their Interests

The Directors who served during the period and their interests in the Share Capital of the Company were as follows:-

	31st Mar 2000	31st Mar 1999
P. M. Ashley	1,000	1,000
W. E. C. Hughes	0	0
B. W. Lamont	0	0

YELLOW DOOR PROPERTY COMPANY LIMITED

Company Information

Directors	Mr. Paul Ashley Mr. Bill Hughes Mr. Barclay Lamont
Secretary	Mr. James Hood
Registered Office	31 Cumberland Close Aylesbury Buckinghamshire HP21 7HH
Auditors	Coletta Smith Samuels 32a Billing Road Northampton NN1 5DQ
Bankers	National Westminster Bank plc 5 St Pauls Churchyard London EC4M 8DP Barclays Bank PLC 93 Baker Street London
Company Number	2779638

YELLOW DOOR PROPERTY COMPANY LIMITED

REPORT AND FINANCIAL ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 2000

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