Registered in England
No2779638

YELLOW DOOR PROPERTY COMPANY LTD

REPORT AND FINANCIAL ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 2003

Page	**Contents**

YELLOW DOOR PROPERTY COMPANY LTD

Company Information

Directors	Mr. Paul Ashley Mr. Bill Hughes Mr. Barclay Lamont Mr. Vernon King
Secretary	Mr. James Hood
Registered Office	31 Cumberland Close Aylesbury Buckinghamshire HP21 7HH
Accountants	AW Accounting Chartered Accountants 31 Cumberland Close Aylesbury HP21 7HH
Bankers	Barclays Bank plc 93 Baker Street London
	National Westminster Bank plc 5 St Paul's Churchyard London
Company No.	2779638

YELLOW DOOR PROPERTY COMPANY LTD

DIRECTORS REPORT

The Directors have pleasure in presenting their Annual Report and Financial Accounts of the Company for the Year Ended 31st March 2003.

1. Results

The trading profit for the year after taxation amounted to £40,593 (2002 £7,672).

2. Dividends

The Directors do not recommend the payment of a final dividend.

3. Principal Activity and Review

The Principal Activity of the Company during the year was the development of property for resale. The Directors are of the opinion that the future prospects of the company are satisfactory.

4. Directors and their Interests

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

	2003	**2002**
Mr. P. M. Ashley	1,000	1,000
Mr. W. E. C. Hughes	0	0
Mr V King	0	0
Mr. B. W. Lamont	0	0

YELLOW DOOR PROPERTY COMPANY LTD

DIRECTORS REPORT

5. 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 and loss of the Company for that year. 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.

Small Company Exemption

This Directors Report has 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 March 2000)

Signed on behalf of the Board

Draft

YELLOW DOOR PROPERTY COMPANY LTD

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH 2003

	notes	£ **2003**	£ **2002**
TURNOVER	2	623,257	11,430
Cost of Sales		534,974	323
GROSS PROFIT		88,283	11,107
Administration Expenses		14,990	8,191
OPERATING PROFIT	3	73,293	2,916
Add Interest Receivable		1,307	10,476
		74,600	13,392
Interest Payable		22,404	4,867
PROFIT Before Taxation		52,196	8,525
TAXATION	4	11,603	853
PROFIT AFTER TAXATION		40,593	7,672
RESERVES as at 31st Mar 2002		495,636	487,964
RESERVES as at 31st Mar 2003		536,229	495,636

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

Recognised Gains and Losses
The company has no recognised gains or losses other than shown above

The accompanying notes on pages 6 to 9 are an integral part of these financial statements

YELLOW DOOR PROPERTY COMPANY LTD

BALANCE SHEET AS AT 31st MARCH 2003

	notes	£	£ **2003**	£	£ **2002**
TANGIBLE ASSETS					
Fixed Assets	5		1		1
CURRENT ASSETS					
Stocks	6	1,520,114		1,134,364	
Debtors	7	0		0	
Cash at bank		6,308		151,493	
		---------		---------	
		1,526,422		1,285,857	
CURRENT LIABILITIES					
Creditors : Due within one year	8	989,194		704,034	
		----------		----------	
NET CURRENT ASSETS			537,228		581,823
			-----------		-----------
			537,229		581,824
Provisions	9		0		17,038
			----------		----------
NET ASSETS			537,229		564,786
			======		======
CAPITAL AND RESERVES					
Share Capital	10	1,000		1,000	
Revenue Reserves		536,229		495,636	
Revaluation Reserves	11	0		68,150	
		-----------		-----------	
Shareholders Funds	12		537,229		564,786
			======		======

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 March 2000)

The Directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the company's share capital have not issued a notice requiring an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for 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 period in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the act relating to the accounts so far as applicable to the company.

Approved on behalf of the Board

………………………………

Draft

The accompanying notes on pages 6 to 9 are an integral part of these financial statements

YELLOW DOOR PROPERTY COMPANY LTD

NOTES TO THE ACCOUNTS AS AT 31st MARCH 2003

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 as set out in the Directors Report and which are continuing.

The Directors have reviewed the Company's activities over the coming year and believe that the Company is a going concern. Accordingly no provision is made for the diminution in value of assets which would result if this were not so.

Turnover
Turnover comprises of the Sales from Developments, Management fees and Rental from Property. Income is recognised when the transaction is subject to legal contract.

Work In Progress and Stocks
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. Stocks of completed properties are held at the estimated market value net of selling costs. No depreciation is provided on properties because they are considered to be short- term assets held only until a sale can be arranged.

Tangible Fixed Assets
Fixed Assets are stated at cost or valuation less depreciation

Depreciation is provided at rates calculated to write off the cost of all fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Motor Vehicles 25% Straight Line

2) TURNOVER
Turnover is analysed as follows:-

	2003	**2002**
	£	£
Sales of Property	623,247	0
Rental Income	10	11,430
	--------	--------
	623,257	11,430
	=====	=======

YELLOW DOOR PROPERTY COMPANY LTD

NOTES TO THE ACCOUNTS AS AT 31st MARCH 2003

3) OPERATING PROFIT

This is stated after charging:-

	2003	**2002**
	£	£
Depreciation	0	0
Directors Remuneration	0	0
Auditors Fees	0	0
	=====	======

4) TAXATION

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

	£	£
	2003	**2002**
Current Year	11,603	853
Previous Years	0	0
	---------	---------
	11,603	853
	=====	======

5. FIXED ASSETS

	Motor Vehicles	**Total**
COST		
As at 1st Apr 2002	3,100	3,100
Additions	0	0
Disposals	0	0
	----------	----------
As at 31st Mar 2003	3,100	3,100
	======	======
DEPRECIATION		
As at 1st Apr 2002	3,099	3,099
Charge for the Period	0	0
Disposals	0	0
	----------	----------
As at 31st Mar 2003	3,099	3,099
	======	======
NET BOOK VALUE		
As at 31st Mar 2003	1	1
	======	======
As at 31st Mar 2002	1	1
	======	======

YELLOW DOOR PROPERTY COMPANY LTD

NOTES TO THE ACCOUNTS AS AT 31st MARCH 2003

6. STOCKS and WORK IN PROGRESS

	2003	2002
	£	£
Property Stocks	1,520,114	1,134,364
	=====	======

7. DEBTORS

	2003	2002
	£	£
Trade Debtors	0	0
	=====	======

8. CREDITORS

Amounts falling due within one year

	2003	2002
	£	£
Bank Loans and Overdraft	668,671	430,583
Other Loans	260,000	260,000
Corporation Tax	11,669	853
Tax and Social Security	0	1,317
Directors Loan Account	31,392	1,392
Other Creditors	13,302	9,889
Accrued Expenses	4,160	0
	---------	---------
	989,194	704,034
	=====	======

The Mortgages are secured by first charges on freehold properties owned by the company.

9. PROVISIONS	**2003**	**2002**
Deferred Tax	0	17,038
	======	======

10. SHARE CAPITAL

	2003	2002
Ordinary Shares £1 each	£	£
Authorised	1,000	1,000
	======	=====
Issued and Fully Paid	1,000	1,000
	=====	======

YELLOW DOOR PROPERTY COMPANY LTD

NOTES TO THE ACCOUNTS AS AT 31st MARCH 2003

11. NON DISTRIBUTABLE RESERVES

Revaluation Reserve	**2003**	**2002**
	£	£
As at 1st Apr 2002	68,150	40,324
Realised in the Year	(68,150)	0
Revaluations in the Year	0	27,826
	---------	---------
As at 31st March 2003	0	68,150
	=====	=====

12. RECONCILIATION OF SHAREHOLDERS FUNDS

Shareholders Funds	**2003**	**2002**
	£	£
As at 1st Apr 2002	564,786	529,288
Profit After Tax	40,593	7,672
Revaluation of Property		27,826
Release from Revaluation Reserve	(68,150)	0
	---------	---------
As at 31st March 2003	537,229	564,786
	=====	=====

13. TRANSACTIONS WITH DIRECTORS

The company rents its office in a building owned by Mr Paul Ashley, a director of the company. The rent paid was £10,000 (2002 £nil)

14. CONTROLLING PARTY

The company is controlled by Mr. P. M. Ashley, a director and only shareholder of the company.

YELLOW DOOR PROPERTY COMPANY LTD

DETAILED PROFIT AND LOSS for the year ended 31st March 2003

	notes	£	£	£	£
			2003		**2002**
TURNOVER	1		623,257		11,430
Less Property Costs			522,220		323
Profit Share Interest			12,754		
			-----------		-----------
GROSS PROFIT			88,283		11,107
Less: OPERATING EXPENSES					
Directors Remuneration		0		0	
Rent Payable		10,008		0	
Admin Wages		0		500	
Telephone		1,446		1,330	
Motor Expenses		713		235	
Advertising & Stationery		0		0	
Travel Costs		0		0	
Entertainment		0		0	
Insurances		0		358	
Legal and Professional		550		4,038	
Equipment Repairs		0		0	
Accounting Costs		1,300		1,200	
Bank Charges		794		515	
Sundries		179		15	
Reference and Photography		0		0	
Depreciation		0		0	
		-----------		-----------	
			14,990		8,191
			---------		---------
OPERATING PROFIT			73,293		2,616
Interest Receivable			1,307		10,476
Less Interest Payable			22,404		4,867
			----------		----------
PROFIT BEFORE TAXATION			52,196		8,225
			======		======