

Dunton Green Limited
(formerly West Kent Cold Storage
Company Limited)

Report and Financial Statements

Period Ended

31 January 2004



BDO Stoy Hayward
Chartered Accountants

DUNTON GREEN LIMITED

Annual report and financial statements for the period ended 31 January 2004

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Directors

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Directors

J C A Rooth
T Croucher

Secretary and registered office

T Croucher
Arctic House, Rye Lane, Dunton Green, Sevenoaks, Kent TN13 5HB

Company number

00526183

Auditors

BDO Stoy Hayward LLP, Emerald House, East Street, Epsom, Surrey KT17 1HS

DUNTON GREEN LIMITED

Report of the directors for the period ended 31 January 2004

The directors present their report together with the audited financial statements for the period ended 31 January 2004.

Results and dividends

The profit and loss account is set out on page 5 and shows the result for the period.

Interim dividends of £24.97 (2002: £nil) have been paid during the period. The directors do not recommend a final dividend.

Change of Name

On 13 January 2004 the company passed a special resolution changing its name from West Kent Cold Storage Company Limited to Dunton Green Limited.

Principal activities, trading review and future developments

The principal activities of the company were the provision of storage warehousing and public cold storage facilities.

On 12 January 2004, the company sold its trade and fixed assets for a cash consideration of £13,600,000 realising a profit of £3,608,500.

Charitable donations

During the period the company made charitable donations totalling £Nil (2002: £145).

Directors

The directors of the company during the period were:

J R E Tinker (resigned 16 July 2003)
J C A Rooth
T Croucher

No director had any direct interest in the ordinary shares of the company. J C A Rooth and T Croucher are also directors of an intermediate parent undertaking, Centurion Properties (DG) Limited, and their interests in its share capital are shown in that company's financial statements.

DUNTON GREEN LIMITED

Report of the directors for the period ended 31 January 2004 (*Continued*)

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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.

Auditors

On 31 December 2003, BDO Stoy Hayward, the company's auditors, transferred its business to BDO Stoy Hayward LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. Accordingly BDO Stoy Hayward resigned as auditors on that date and the directors appointed BDO Stoy Hayward LLP as its successor. A resolution to reappoint BDO Stoy Hayward LLP as auditors will be proposed at the next annual general meeting.

By order of the Board



T Croucher
Secretary

Date: 29/11/04

DUNTON GREEN LIMITED

Report of the independent auditors

To the shareholders of Dunton Green Limited

We have audited the financial statements of Dunton Green Limited for the period ended 31 January 2004 on pages 5 to 16 which have been prepared under the accounting policies set out on pages 8 and 9.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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.

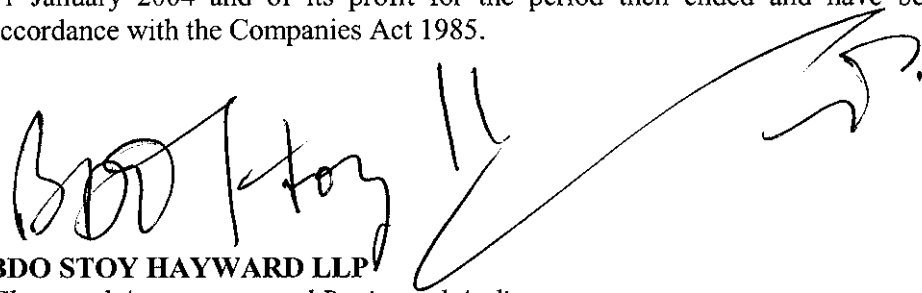
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

DUNTON GREEN LIMITED

Report of the independent auditors (*Continued*)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 January 2004 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD LLP
Chartered Accountants and Registered Auditors
EPSOM

Date: 29 November 2004.

DUNTON GREEN LIMITED**Profit and loss account for the period ended 31 January 2004**

	Note	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
Turnover	2	2,609,375	2,776,613
Cost of sales		(1,639,638)	(1,497,937)
Gross profit		969,737	1,278,676
Administrative expenses		(733,938)	(663,561)
Operating profit	4	235,799	615,115
Profit on sale of business activities		3,608,500	-
Interest receivable		6,662	3,002
Interest payable and similar charges	5	(558,989)	(582,597)
Profit on ordinary activities before taxation		3,291,972	35,520
Taxation on profit from ordinary activities	6	344,486	(5,746)
Profit on ordinary activities after taxation		3,636,458	29,774
Dividends	7	7,714,267	-
Retained (loss)/profit for the period	13	(4,077,809)	29,774

All above amounts for the period ended 31 January 2004 and the year ended 31 December 2002 relate to discontinued activities.

All recognised gains and losses in the current and prior period are included in the profit and loss account.

The notes on pages 8 to 16 form part of these financial statements.

DUNTON GREEN LIMITED**Note of historical cost profits and losses for the period ended 31 January 2004**

	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
Note of historical cost profits and losses		
Reported profit on ordinary activities before taxation	3,291,972	35,520
Realisation of property revaluation gains of previous years	4,632,275	-
Difference between actual and historical cost depreciation	-	27,352
	<hr/>	<hr/>
Historical cost profit on ordinary activities before taxation	7,924,247	62,872
	<hr/>	<hr/>
Retained historical cost profit for the period after taxation and dividends	554,466	57,126
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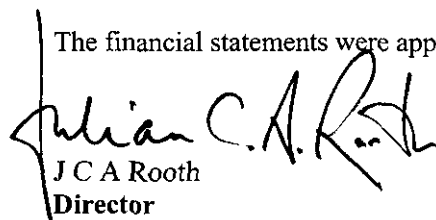
The notes on pages 8 to 16 form part of these financial statements.

DUNTON GREEN LIMITED

Balance sheet at 31 January 2004

	Note	13 month period to 31 January 2004		Year ended 31 December 2002	
		£	£	£	£
Fixed assets					
Tangible assets	8		-		9,035,863
Current assets					
Debtors	9	492,361		3,400,651	
Cash at bank and in hand		725,299		326,664	
		<u>1,217,660</u>		<u>3,727,315</u>	
Creditors: amounts falling due within one year	10	<u>607,738</u>		<u>7,731,189</u>	
Net current assets/(liabilities)			<u>609,922</u>		<u>(4,003,874)</u>
Total assets less current liabilities			<u>609,922</u>		<u>5,031,989</u>
Provision for liabilities and charges	11		-		344,258
			<u>609,922</u>		<u>4,687,731</u>
Capital and reserves					
Called up share capital	12	309,000		309,000	
Revaluation reserve	13	-		4,632,275	
Profit and loss account	13	300,922		(253,544)	
		<u>609,922</u>		<u>4,687,731</u>	
Equity shareholders' funds	14	<u>609,922</u>		<u>4,687,731</u>	

The financial statements were approved by the Board on 29/11/04.


J C A Rooth
Director

The notes on pages 8 to 16 form part of these financial statements.

DUNTON GREEN LIMITED

Notes forming part of the financial statements for the period ended 31 January 2004

1 Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents sales to outside customers at invoiced amounts less value added tax.

Revaluation of land and buildings

FRS 15 requires fixed assets which are carried at revalued amounts to be shown at their current value at the balance sheet date. To achieve this freehold and long leasehold land and buildings are subject to a full valuation every 5 years with an interim valuation carried out in the third year of this cycle.

The profit or loss on disposal of revalued properties is calculated by reference to net book value and any realised revaluation surplus is transferred to the profit and loss account through reserves.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, except freehold land, evenly over their expected useful lives. It is calculated at the following rates:

Freehold buildings	-	2% per annum
Equipment, vehicles and furniture	-	5%-25% per annum
Refrigeration equipment	-	10% per annum

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances arising from underlying timing differences in respect of tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances are not discounted.

DUNTON GREEN LIMITED

Notes forming part of the financial statements for the period ended 31 January 2004 (Continued)

1 Accounting policies (Continued)

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom. Included within turnover is £1,480,838 (2002: £2,167,511) of rentals receivable in respect of operating leases.

3 Employees

No employee costs, including directors emoluments were paid by the company during the period (2002: £Nil). The average number of employees, including directors, during the period was 2 (2002: 2).

4 Operating profit

	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
This has been arrived at after charging/(crediting):		
Depreciation - tangible owned fixed assets	157,096	160,025
- tangible fixed assets held under finance leases	-	3,750
Hire of plant and machinery - operating leases	39,490	42,379
Auditors' remuneration - audit services	12,250	12,000
- non-audit services	4,000	25,509
Profit on sale of fixed assets	(998)	-
	<u> </u>	<u> </u>

DUNTON GREEN LIMITED

Notes forming part of the financial statements for the period ended 31 January 2004 (*Continued*)

5 Interest payable and similar charges

	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
Intercompany loans repayable within 5 years	515,000	570,000
Finance leases	43,989	12,597
	<u>558,989</u>	<u>582,597</u>

6 Taxation on profit from ordinary activities

	13 month period to 31 January 2004 £		Year ended 31 December 2002 £	
<i>Current tax</i>				
UK corporation tax on profits for the period	-		3,002	
Adjustment in respect of previous years	(228)		-	
	<u></u>		<u></u>	
Total current tax		(228)		3,002
<i>Deferred tax</i>				
Movement in deferred tax provision (note 11)	(344,258)		2,744	
	<u></u>	(344,258)	<u></u>	2,744
Taxation on profit on ordinary activities		<u>(344,486)</u>		<u>5,746</u>

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
Profit on ordinary activities before tax	<u>3,291,972</u>	<u>35,520</u>

DUNTON GREEN LIMITED

Notes forming part of the financial statements for the period ended 31 January 2004 (*Continued*)

6 Taxation on profit from ordinary activities (*Continued*)

	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (2002 – 30 %)	987,592	10,656
Effects of:		
Expenses not deductible for tax purposes	196	354
Depreciation for period in excess of capital allowances	46,160	15,920
Profit on sale of business activities	(1,082,849)	-
Group relief	-	(22,194)
Unrelieved losses	48,901	-
Tax rate adjustment	-	(1,734)
Adjustment to tax charge in respect of previous years	(228)	-
	<hr/>	<hr/>
Current tax charge for period	(228)	3,002
	<hr/>	<hr/>

7 Dividends

	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
Interim Ordinary shares paid of £24.97 (2002: £Nil) per share	7,714,267	-
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DUNTON GREEN LIMITED

Notes forming part of the financial statements for the period ended 31 January 2004 (Continued)

8 Tangible assets

	Freehold land and buildings £	Equipment, vehicles and furniture £	Total £
<i>Cost or valuation</i>			
At 1 January 2003	10,324,305	470,568	10,794,873
Additions	-	22,500	22,500
Disposals	-	(14,810)	(14,810)
Disposal of business activities	(10,324,305)	(478,258)	(10,802,563)
At 31 January 2004	-	-	-
<i>Depreciation</i>			
At 1 January 2003	1,318,382	440,628	1,759,010
Provided for the period	144,228	12,868	157,096
Disposals	-	(14,808)	(14,808)
Disposal of business activities	(1,462,610)	(438,688)	(1,901,298)
At 31 January 2004	-	-	-
<i>Net book value</i>			
At 31 January 2004	-	-	-
At 31 December 2002	9,005,923	29,940	9,035,863

9 Debtors

	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
Trade debtors	170,635	478,299
Amounts owed by group undertakings	-	1,862,492
Prepayments and accrued income	47,801	1,059,860
Other debtors	273,925	-
	492,361	3,400,651

All amounts shown under debtors fall due for payment within one year.

DUNTON GREEN LIMITED

Notes forming part of the financial statements for the period ended 31 January 2004 (Continued)

10 Creditors: amounts falling due within one year

	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
Bank overdraft	53,265	-
Amounts due to parent and fellow subsidiary undertakings	283,212	1,226,136
Loans due to parent and fellow subsidiary undertakings	-	5,300,000
Trade creditors	178,758	410,938
Other creditors	4,582	18,016
Taxation and social security	-	81,480
Corporation tax	-	3,002
Obligations under finance leases	-	438
Accruals	87,921	218,117
Deferred income	-	473,062
	<u>607,738</u>	<u>7,731,189</u>

11 Provision for liabilities and charges

		Deferred taxation £
Balance at 1 January 2003		344,258
Utilised in the period (note 6)		(344,258)
		<hr/>
Balance at 31 January 2004		-
		<hr/> <hr/>
	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
Accelerated capital allowances	-	344,258

DUNTON GREEN LIMITED

Notes forming part of the financial statements for the period ended 31 January 2004 (Continued)

12 Share capital

	Authorised	
	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
412,000 ordinary shares of £1 each	412,000	412,000
	Allotted, called up and fully paid	
	13 month period to 31 January 2004 £	Year ended 31 December 2002 £
309,000 ordinary shares of £1 each	309,000	309,000

13 Reserves

	Revaluation reserve £	Profit and loss account £
At 1 January 2003	4,632,275	(253,544)
Loss for period		(4,077,809)
Transfer of realised revaluation reserve on sale of business activities	(4,632,275)	4,632,275
At 31 January 2004	-	300,922

DUNTON GREEN LIMITED

Notes forming part of the financial statements for the period ended 31 January 2004 (Continued)

14 Reconciliation of movements in shareholders' funds

	13 month period to 31 January 2004	Year ended 31 December 2002
Profit for the period	3,636,458	29,774
Dividends	(7,714,267)	-
	<hr/>	<hr/>
	(4,077,809)	29,774
Opening shareholders' funds	4,687,731	4,657,957
	<hr/>	<hr/>
Closing shareholders' funds	609,922	4,687,731
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15 Operating lease commitments

At the period end the company had commitments to make payments during the next year under operating leases which expire as follows:

	Equipment 13 month period to 31 January 2004 £	Year ended 31 December 2002 £
Between one and five years	-	42,113
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16 Contingent liabilities

The company provided security against bank borrowings of another group company. This security took the form of a first legal mortgage over the company's freehold land and buildings and a first fixed and floating charge over the company's remaining assets. These borrowings were settled during the period.

The company provided security against loan notes owed by another group company, Centurion Properties (DG) Limited, to an intermediate parent undertaking, Electra Property Partners (GP) Limited, in its capacity as General Partner of the ultimate controlling party, Electra Fairmile Property Limited Partnership. These loan notes were settled during the period.

DUNTON GREEN LIMITED

Notes forming part of the financial statements for the period ended 31 January 2004 (*Continued*)

17 Related party transactions

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related Party Transactions", not to disclose any transactions during the period with entities that are included in the consolidated financial statements of its intermediate parent undertaking, Centurion Properties (DG) Limited.

During 2000 the company entered into a management services contract with West Kent Management Services Limited ("WKMS") under which WKMS provides services for the management of the company's activities. Mr J Rooth is a shareholder and director of WKMS. The company incurred £654,891 (2002: £512,700) of expenses under the management services contract during the period. As at 31 January 2004 the company owed WKMS £4,582 (2002: £16,310).

18 Ultimate parent company

The company's immediate parent company is Ewart (Southern) Limited, and its intermediate parent company is Centurion Properties (DG) Limited.

The ultimate controlling party as at 31 January 2004 was Electra Fairmile Property Partners Limited Partnership.

Copies of the consolidated financial statements of Centurion Properties (DG) Limited are available from Companies House.