

Report of the Directors and
Financial Statements
for the Year Ended 31 December 2004
for
Aubourn Limited



Aubourn Limited

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for the Year Ended 31 December 2004

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Aubourn Limited
Company Information
for the Year Ended 31 December 2004

DIRECTORS:	Mr Philip Wynn Mr Hugh Coghill Mr Stephen Hollis Mr Hans Vestbirk
SECRETARY:	Ruth Michelson-Carr
REGISTERED OFFICE:	20 Grosvenor Hill Berkeley Square London W1K 3HQ
REGISTERED NUMBER:	934015 (England and Wales)
AUDITORS:	Wright Vigar Limited Registered Auditors Chartered Accountants & Business Advisers 15 Newland Lincoln Lincolnshire LN1 1XG
SOLICITORS:	ashurst Broadwalk House 5 Appold Street London EC2A 2HA

Aubourn Limited

Report of the Directors
for the Year Ended 31 December 2004

The directors present their report with the financial statements of the company for the year ended 31 December 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of farm management and business advisory services.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

See note 19 for post balance sheet events.

DIVIDENDS

The deficit attributable to shareholders is a loss of (£62,342) (2003 - Loss of £25,291). No interim dividend was paid and no final dividend is proposed for the year ended 31 December 2004 (2003 - £nil).

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Aubourn Limited

Report of the Directors
for the Year Ended 31 December 2004

DIRECTORS

The directors during the year under review were:

Mr Philip Wynn	
Mr Christopher Nevile	- resigned 1.9.04
Mr Hugh Coghill	
Mr Stephen Hollis	
Mr Hans Vestbirk	

The beneficial interests of the directors holding office on 31 December 2004 in the issued share capital of the company were as follows:

	31.12.04	1.1.04
Ordinary A £1 shares		
Mr Philip Wynn	-	-
Mr Hugh Coghill	-	-
Mr Stephen Hollis	-	-
Mr Hans Vestbirk	-	-
Mr Christopher Nevile	-	-
Ordinary B £1 shares		
Mr Philip Wynn	-	250
Mr Hugh Coghill	-	-
Mr Stephen Hollis	-	-
Mr Hans Vestbirk	-	-
Mr Christopher Nevile	-	-
Ordinary C £1 shares		
Mr Philip Wynn	-	-
Mr Hugh Coghill	-	-
Mr Stephen Hollis	-	-
Mr Hans Vestbirk	-	-
Mr Christopher Nevile	-	250

Hugh Coghill's interests in the share capital of the ultimate parent undertaking, Savills plc, are detailed in the report and accounts of Savills (L&P) Limited, the company's immediate parent, of which he was a director at the year-end.

In addition to shares held in the Company, Philip Wynn held 131,000 shares (2003 - 131,000) in the parent company, Savills plc. At 31 December 2004, Philip Wynn held no ESOP share options (2003 - 10,000) and 1,761 sharesave options (2003 - 1,761).

At 31 December 2004, Hans Vestbirk held 2,196 shares (2003 - 2,018) in the parent company, Savills plc. At 31 December 2004, Hans Vestbirk held no sharesave options (2003 - nil).

Stephen Hollis and Christopher Nevile had no beneficial interest in Savills plc at 31 December 2004 (2003 - nil).

No Directors' Sharesave Scheme were granted during the year. The mid-market price of the shares at 31 December 2004 was 521p (2004 - 332.5p) and the range during the year was 332.5p - 521p (2003 - 116.5p to 332.5p). At 31 December 2004, all the Executive Directors were deemed to have an interest (for the purposes of the Companies Act 1985) in 5,240,501 shares (2003 - 5,192,852 shares) held by the Trustee of the EBT and in shares 9,496 (2003 - 184,569 shares) held by the Qualifying Employee Share Trust (the QUEST).

Aubourn Limited

Report of the Directors
for the Year Ended 31 December 2004

COMPANY'S POLICY ON PAYMENT OF CREDITORS

The Companies Act 1985 (Directors' Report) (Statement of Payment Practice) Regulations 1997 requires the company to make a statement of its policy and practice on the payment of creditors. The company seeks the best possible terms from suppliers appropriate to their business and, in placing orders, give consideration to quality, delivery, price and terms of payment which will be agreed with suppliers when the details of each transaction are agreed. The company will continue to honour their contractual and other legal obligations and to pay creditors on the dates agreed in contract and purchase orders. As at 31 December 2004 the number of days of annual purchases represented by year end creditors for the company amounted to 37 days (2003 - 37 days).

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

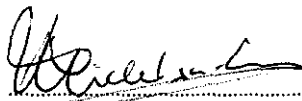
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

AUDITORS

On 1 January 2004, Wright Vigar & Co transferred their entire business to Wright Vigar Limited. The company's consent has been given to treating the appointment of Wright Vigar & Co as extending to Wright Vigar Limited with effect from 24 February 2004. An elective resolution has been passed by the shareholders of the company to the effect that auditors shall not be reappointed in accordance with Section 386 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



Ruth Michelson-Carr - Secretary

Date 16 June 2005.

Report of the Independent Auditors to the Shareholders of
Aubourn Limited

We have audited the financial statements of Aubourn Limited for the year ended 31 December 2004 on pages six to eighteen. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page four the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

Basis of audit 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.

Opinion

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

Wright Vigar Limited

Wright Vigar Limited
Registered Auditors
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

Date: *16 June 2005*

Aubourn Limited

Profit and Loss Account
for the Year Ended 31 December 2004

	Notes	2004 £	2003 £
TURNOVER		1,567,990	2,004,750
Administrative expenses		<u>(1,638,015)</u>	<u>(2,023,277)</u>
		(70,025)	(18,527)
Other operating income		<u>7,990</u>	<u>3,476</u>
OPERATING LOSS	3	(62,035)	(15,051)
Interest receivable and similar income		<u>2,616</u>	<u>983</u>
		(59,419)	(14,068)
Interest payable and similar charges	4	<u>(14,480)</u>	<u>(9,844)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(73,899)	(23,912)
Tax on loss on ordinary activities	5	<u>11,557</u>	<u>(1,379)</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(62,342)</u>	<u>(25,291)</u>
DEFICIT FOR THE YEAR		<u>(62,342)</u>	<u>(25,291)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

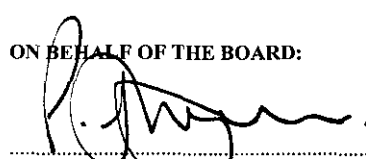
The company has no recognised gains or losses other than the losses for the current and previous years.

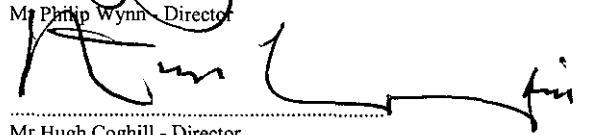
Aubourn Limited

Balance Sheet
31 December 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Intangible assets	7	65,619	155,951
Tangible assets	8	<u>21,983</u>	<u>32,281</u>
		<u>87,602</u>	<u>188,232</u>
 CURRENT ASSETS			
Stocks	9	109,353	172,851
Debtors	10	534,004	601,962
Cash at bank and in hand		<u>10,662</u>	<u>40,646</u>
		654,019	815,459
CREDITORS			
Amounts falling due within one year	11	<u>(512,430)</u>	<u>(450,158)</u>
NET CURRENT ASSETS		<u>141,589</u>	<u>365,301</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		229,191	553,533
 CREDITORS			
Amounts falling due after more than one year	12	<u>-</u>	<u>(262,000)</u>
		<u>229,191</u>	<u>291,533</u>
 CAPITAL AND RESERVES			
Called up share capital	16	3,335	3,335
Share premium	17	32,665	32,665
Profit and loss account	17	<u>193,191</u>	<u>255,533</u>
SHAREHOLDERS' FUNDS	20	<u>229,191</u>	<u>291,533</u>

ON BEHALF OF THE BOARD:


.....
Mr Philip Wynn - Director


.....
Mr Hugh Coghill - Director

Approved by the Board on 16 June 2005

The notes form part of these financial statements

Aubourn Limited

Cash Flow Statement
for the Year Ended 31 December 2004

	Notes	2004 £	2003 £
Net cash inflow/(outflow) from operating activities	1	8,855	(104,461)
Returns on investments and servicing of finance	2	(11,864)	(8,861)
Taxation		(744)	(18,349)
Capital expenditure	2	<u>(1,231)</u>	<u>(8,141)</u>
		(4,984)	(139,812)
Financing	2	<u>(25,000)</u>	<u>80,000</u>
Decrease in cash in the period		<u>(29,984)</u>	<u>(59,812)</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Decrease in cash in the period		(29,984)	(59,812)
Cash outflow/(inflow) from decrease/(increase) in debt		<u>25,000</u>	<u>(80,000)</u>
Change in net debt resulting from cash flows		<u>(4,984)</u>	<u>(139,812)</u>
Movement in net debt in the period		(4,984)	(139,812)
Net debt at 1 January		<u>(221,354)</u>	<u>(81,542)</u>
Net debt at 31 December		<u>(226,338)</u>	<u>(221,354)</u>

Aubourn Limited

Notes to the Cash Flow Statement
for the Year Ended 31 December 2004

1. RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2004 £	2003 £
Operating loss	(62,035)	(15,051)
Depreciation charges	106,508	73,244
Profit on disposal of fixed assets	(4,647)	(1,406)
Decrease in stocks	63,498	53,264
Decrease in debtors	79,617	78,173
Decrease in creditors	<u>(174,086)</u>	<u>(292,685)</u>
Net cash inflow/(outflow) from operating activities	<u>8,855</u>	<u>(104,461)</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2004 £	2003 £
Returns on investments and servicing of finance		
Interest received	2,616	983
Interest paid	(14,480)	(9,634)
Interest element of hire purchase or finance lease rentals payments	<u>-</u>	<u>(210)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(11,864)</u>	<u>(8,861)</u>
Capital expenditure		
Purchase of tangible fixed assets	(6,228)	(15,419)
Sale of tangible fixed assets	<u>4,997</u>	<u>7,278</u>
Net cash outflow for capital expenditure	<u>(1,231)</u>	<u>(8,141)</u>
Financing		
New loans in year	-	80,000
Loan repayments in year	<u>(25,000)</u>	<u>-</u>
Net cash (outflow)/inflow from financing	<u>(25,000)</u>	<u>80,000</u>

Aubourn Limited

Notes to the Cash Flow Statement
for the Year Ended 31 December 2004

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.04 £	Cash flow £	At 31.12.04 £
Net cash:			
Cash at bank and in hand	<u>40,646</u>	<u>(29,984)</u>	<u>10,662</u>
	<u>40,646</u>	<u>(29,984)</u>	<u>10,662</u>
Debt:			
Debts falling due within one year	-	(237,000)	(237,000)
Debts falling due after one year	<u>(262,000)</u>	<u>262,000</u>	<u>-</u>
	<u>(262,000)</u>	<u>25,000</u>	<u>(237,000)</u>
Total	<u>(221,354)</u>	<u>(4,984)</u>	<u>(226,338)</u>

Aubourn Limited

Notes to the Financial Statements
for the Year Ended 31 December 2004

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1999, has been subject to an impairment review and has been fully written off. Goodwill also paid in connection with the acquisition of a business in 2002, is being written off evenly over its useful economic life of five years. The carrying value of goodwill is subject to an annual impairment review.

Tangible fixed assets

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

Office equipment	- 15 - 33% on cost
Computer hardware	- 20% - 33% on cost
Fixtures and fittings	- 10% - 25% on cost
Motor vehicles	- 20% - 33% on cost
Computer software	- 25% on cost

Stocks and work in progress

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress consists of work not yet invoiced at the year end.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Retirement benefits for employees are provided by two defined contribution schemes and a defined benefit scheme. The latter is funded by contributions from the company and its employees. The contributions are determined by an independent qualified actuary and are charged to the profit and loss in order to spread the cost of pensions over the service life of employees of the schemes.

2. STAFF COSTS

	2004	2003
	£	£
Wages and salaries	953,380	1,111,023
Social security costs	93,652	109,957
Other pension costs	71,762	79,688
	<u>1,118,794</u>	<u>1,300,668</u>

Aubourn Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2004

2. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2004	2003
Administrative and operational	<u>30</u>	<u>36</u>

The Company participates in The Savills plc 1992 Employee Benefit Trust (EBT). The EBT is used to satisfy options to acquire shares in Savills plc for nil consideration under the Savills plc 1992 Executive Share Option Scheme (the ESOP) and also to satisfy awards over shares in Savills plc under the Deferred Share Bonus Plan (the DSBP), under the terms of which options to acquire shares in Savills plc for nominal consideration are allocated to Company employees. The cost of shares in respect of which options are allocated and awards made is are written off to the profit and loss account in full on allocation. The amount charged allocated to the Company for the period year was £nil (2003 - £nil). Further details of the ESOP and DSBP are given in the Report and Accounts of Savills plc.

The Savills Group has established a Qualifying Employee Share Trust (QUEST), the purpose of which is to acquire shares of Savills plc which are used to transfer to employees on the exercise of options granted under the Savills Sharesave Scheme, in which the Company is a participant. Further details of the QUEST are given in the Report and Accounts of Savills plc.

3. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2004	2003
	£	£
Other operating leases	30,700	62,012
Depreciation - owned assets	16,176	26,841
Profit on disposal of fixed assets	(4,647)	(1,406)
Goodwill amortisation	44,864	46,403
Auditors remuneration	<u>5,150</u>	<u>5,750</u>
Directors' emoluments	193,543	198,671
Directors' pension contributions to money purchase schemes	<u>19,248</u>	<u>18,307</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>3</u>	<u>3</u>
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4. INTEREST PAYABLE AND SIMILAR CHARGES

	2004	2003
	£	£
Bank interest	-	3
Parent company loan interest	14,480	9,551
Corporation tax interest	-	80
Hire purchase	<u>-</u>	<u>210</u>
	<u>14,480</u>	<u>9,844</u>

Aubourn Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2004

5. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

	2004 £	2003 £
Current tax:		
UK corporation tax	-	642
Prior year under provision	<u>102</u>	<u>694</u>
Total current tax	102	1,336
Deferred tax	<u>(11,659)</u>	<u>43</u>
Tax on loss on ordinary activities	<u>(11,557)</u>	<u>1,379</u>

UK corporation tax was charged at 19% in 2003.

Factors affecting the tax (credit)/charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2004 £	2003 £
Loss on ordinary activities before tax	<u>(73,899)</u>	<u>(23,912)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2003 - 19%)	(14,041)	(4,543)
Effects of:		
Expenses not deductible for tax purposes	2,381	3,745
Depreciation for the period in excess of capital allowances	(470)	1,440
Prior year under provision	102	694
Deferred tax losses	<u>12,130</u>	<u>-</u>
Current tax (credit)/charge	<u>102</u>	<u>1,336</u>

6. PENSION SCHEME

The Company participates in the Pension and Life Assurance Plan of Savills plc providing benefits based on final pensionable salary. The scheme is funded by Company and employee contributions, the rates being fixed for the Savills plc group as a whole. Details of the most recent actuarial valuation of the pension fund are given in the Report and Accounts of Savills plc. During the period the plan was closed to new entrants for pension benefits on 1 April 2000, but continues to operate for existing members. The charge to the Group's profit and loss account in respect of the pension scheme for the year was £11,301 (2003 - £11,301). The plan is in deficit and contributions payable are higher than the anticipated long term costs to address the deficit. The group is not able to identify its share of underlying assets and liabilities and therefore cannot account for it as a defined benefit scheme. Further details of the final salary scheme are given in the Report and Accounts of Savills plc, which reports that the deficit for the Pension and Life Assurance plan of Savills was assessed at £20.3m (2003 - £25.5m). The Company also operates a group personal pension scheme. The total pension charge to the Company for the year was £70,887 (2003 - £70,887).

Aubourn Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2004

7. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2004	238,396
Impairments	<u>(94,715)</u>
At 31 December 2004	<u>143,681</u>
AMORTISATION	
At 1 January 2004	82,445
Amortisation for year	44,864
Impairments	<u>(49,247)</u>
At 31 December 2004	<u>78,062</u>
NET BOOK VALUE	
At 31 December 2004	<u>65,619</u>
At 31 December 2003	<u>155,951</u>

8. TANGIBLE FIXED ASSETS

	Office equipment £	Computer hardware £	Fixtures and fittings £
COST			
At 1 January 2004	18,711	62,251	7,693
Additions	<u>189</u>	<u>4,044</u>	<u>395</u>
At 31 December 2004	<u>18,900</u>	<u>66,295</u>	<u>8,088</u>
DEPRECIATION			
At 1 January 2004	10,139	43,121	4,672
Charge for year	<u>3,999</u>	<u>10,596</u>	<u>950</u>
At 31 December 2004	<u>14,138</u>	<u>53,717</u>	<u>5,622</u>
NET BOOK VALUE			
At 31 December 2004	<u>4,762</u>	<u>12,578</u>	<u>2,466</u>
At 31 December 2003	<u>8,572</u>	<u>19,130</u>	<u>3,021</u>

Aubourn Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2004

8. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer software £	Totals £
COST			
At 1 January 2004	20,023	6,683	115,361
Additions	-	1,600	6,228
Disposals	<u>(20,023)</u>	<u>-</u>	<u>(20,023)</u>
At 31 December 2004	<u>-</u>	<u>8,283</u>	<u>101,566</u>
DEPRECIATION			
At 1 January 2004	19,673	5,475	83,080
Charge for year	-	631	16,176
Eliminated on disposal	<u>(19,673)</u>	<u>-</u>	<u>(19,673)</u>
At 31 December 2004	<u>-</u>	<u>6,106</u>	<u>79,583</u>
NET BOOK VALUE			
At 31 December 2004	<u>-</u>	<u>2,177</u>	<u>21,983</u>
At 31 December 2003	<u>350</u>	<u>1,208</u>	<u>32,281</u>

9. STOCKS

	2004 £	2003 £
Stocks	6,374	6,206
Work in progress	<u>102,979</u>	<u>166,645</u>
	<u>109,353</u>	<u>172,851</u>

10. DEBTORS

	2004 £	2003 £
Amounts falling due within one year:		
Trade debtors	375,789	508,971
Other debtors	48,792	4,754
Deferred tax asset	15,661	4,002
Prepayments and accrued income	<u>93,762</u>	<u>67,235</u>
	<u>534,004</u>	<u>584,962</u>
Amounts falling due after more than one year:		
Employee loan	<u>-</u>	<u>17,000</u>
Aggregate amounts	<u>534,004</u>	<u>601,962</u>

Aubourn Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2004

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Other loans (see note 13)	237,000	-
Trade creditors	50,277	85,169
Tax	-	642
Social security and other taxes	81,986	101,424
Other creditors	7,527	67,817
Amounts due to parent company	38,390	67,993
Accrued expenses	97,250	127,113
	<u>512,430</u>	<u>450,158</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2004	2003
	£	£
Other loans (see note 13)	<u>-</u>	<u>262,000</u>

13. LOANS

An analysis of the maturity of loans is given below:

	2004	2003
	£	£
Amounts falling due within one year or on demand:		
Parent company loan	<u>237,000</u>	<u>-</u>
Amounts falling due between one and two years:		
Other loans - 1-2 years	<u>-</u>	<u>262,000</u>

The parent company loan is repayable on demand, with interest being charged at 6.25% (2003: 5.5%) per annum.

14. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

		Other operating leases
	2004	2003
	£	£
Expiring:		
Within one year	10,632	12,127
Between one and five years	<u>14,377</u>	<u>25,668</u>
	<u>25,009</u>	<u>37,795</u>

Aubourn Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2004

15. PROVISION FOR LIABILITIES AND CHARGES

	Deferred tax £
Balance at 1 January 2004	(4,002)
Accelerated capital allowances	<u>(11,659)</u>
Balance at 31 December 2004	<u>(15,661)</u>

16. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2004 £	2003 £
2,835	Ordinary A	£1	2,835	2,835
250	Ordinary B	£1	250	250
• 250	Ordinary C	£1	<u>250</u>	<u>250</u>
			<u>3,335</u>	<u>3,335</u>

'A', 'B' and 'C' Ordinary shares rank pari passu in most respects, save that 'B' and 'C' Ordinary shareholders cannot vote upon a resolution to remove from office a Director who had been appointed by 'A' Ordinary shareholders and 'A' Ordinary shareholders have the right to have an additional representative present at a meeting of the directors.

17. RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 January 2004	255,533	32,665	288,198
Deficit for the year	<u>(62,342)</u>	<u>-</u>	<u>(62,342)</u>
At 31 December 2004	<u>193,191</u>	<u>32,665</u>	<u>225,856</u>

18. TRANSACTIONS WITH DIRECTORS

During the year transactions were carried out on an arm's length basis with H & J Nevile & Son, a company owned by Christopher Nevile. Aubourn Limited provided management services of £87,880 (2003 - £87,658) and the amount outstanding at the period end was £2,205 (2003 - £2,509). In addition H & J Nevile & Son provided contracting services and recharges of £73,822 (2003 - £73,291) the amount outstanding at the period end was £12,559 (2003 - £1,639).

19. POST BALANCE SHEET EVENTS

At the close of business on 31 December 2004, the entire trade and assets of Aubourn Limited were hived up to the parent company Savills (L&P) Limited. Aubourn Limited became a non-trading dormant company from that date onwards. The reconstruction was considered by the directors to be in the best interests of the company.

Aubourn Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2004

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004	2003
	£	£
Loss for the financial year	<u>(62,342)</u>	<u>(25,291)</u>
<i>Net reduction of shareholders' funds</i>	<i>(62,342)</i>	<i>(25,291)</i>
Opening shareholders' funds	<u>291,533</u>	<u>316,824</u>
Closing shareholders' funds	<u>229,191</u>	<u>291,533</u>
Equity interests	<u>229,191</u>	<u>291,533</u>

21. PARENT UNDERTAKING

The smallest and largest groups in turn which the results of Aubourn Limited are consolidated in are Savills (L&P) Limited and Savills plc respectively both of which are companies registered in England and Wales. Savills plc is the ultimate parent undertaking of Aubourn Limited.

Copies of the Savills plc group accounts are available from its registered office at 20 Grosvenor Hill, Berkeley Square, London W1K 3HQ.