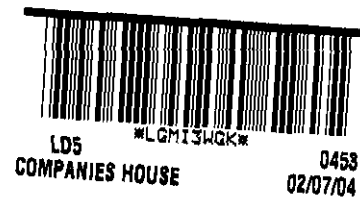


Registered number
1242543

LR (Bristol) Limited

Report and Accounts

30 September 2003



LR (Bristol) Limited
Report and accounts
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LR (Bristol) Limited
Company Information

Directors

Mr I M Livingstone
Mr G A Springer

Secretary

Mr R N Luck

Registered office

St Alphage House
2 Fore Street
London
EC2Y 5DH

Auditors

UHY Hacker Young
168 Church Road
Hove
East Sussex
BN3 2DL

Registered number

1242543

LR (Bristol) Limited
Directors' Report

The directors present their report and accounts for the year ended 30 September 2003.

Principal activities and review of the business

The company acts as a commercial property development company. The directors consider the financial position at 30 September 2003 to be satisfactory.

Results and dividends

The result for the year is set out in the profit & loss account on page 5. The directors do not recommend the payment of a dividend.

Directors

The directors who served during the year were as follows:

Mr I M Livingstone

Mr G A Springer

The directors had no interest in the ordinary shares of the company at any time during the year.

Auditors

The Company passed an Elective Resolution during the year, pursuant to Section 386 of the Companies Act 1985, electing to dispense with the obligation to re-appoint auditors annually. The resolution remains in force.

This report was approved by the board on 18 June 2004.

Mr R N Luck



Secretary

LR (Bristol) Limited
Statement of Directors' Responsibilities

Company law requires the directors to prepare 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 for that period. In preparing those accounts, the directors are required to:

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

The directors are responsible for maintaining 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 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.

LR (Bristol) Limited

Independent auditors' report to the shareholders of LR (Bristol) Limited

We have audited the accounts of LR (Bristol) Limited for the year ended 30 September 2003 which comprise pages 5 to 10. These accounts 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 auditor's 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 body, our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the accounts 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 accounts, 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.

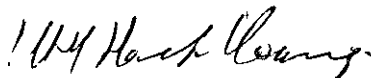
Basis of audit opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 September 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



UHY Hacker Young
Chartered Accountants and Registered Auditors

168 Church Road
Hove
East Sussex
BN3 2DL

18 June 2004

LR (Bristol) Limited
Profit and Loss Account
for the year ended 30 September 2003

	Notes	2003 £	2002 £
Turnover	2	29,929	30,171
Cost of sales		31,136	-
Gross profit		61,065	30,171
Other operating income		20	20
Administrative expenses		(19,462)	(23,814)
Operating profit	3	41,623	6,377
Interest payable	4	(12,479)	(56,869)
Profit/(loss) on ordinary activities before taxation		29,144	(50,492)
Profit/(loss) for the financial year		29,144	(50,492)
Retained profit/(loss) for the financial year	11	29,144	(50,492)

LR (Bristol) Limited
Statement of total recognised gains and losses
for the year ended 30 September 2003

	Notes	2003 £	2002 £
Profit/(loss) for the financial year	11	29,144	(50,492)
Total recognised gains and losses related to the year		<u>29,144</u>	<u>(50,492)</u>

LR (Bristol) Limited
Balance Sheet
as at 30 September 2003

	Notes	2003 £	2002 £
Current assets			
Development Properties	6	172,751	137,000
Debtors	7	559,369	563,045
		<u>732,120</u>	<u>700,045</u>
Creditors: amounts falling due within one year	8	(647,916)	(643,028)
Net current assets		<u>84,204</u>	<u>57,017</u>
Total assets less current liabilities		<u>84,204</u>	<u>57,017</u>
Creditors: amounts falling due after more than one year	9	(181,938)	(183,895)
		<u>(97,734)</u>	<u>(126,878)</u>
Capital and reserves			
Called up share capital	10	549,100	549,100
Profit and loss account	11	(646,834)	(675,978)
Shareholders' funds:			
Equity		<u>(97,734)</u>	<u>(126,878)</u>
	12	<u>(97,734)</u>	<u>(126,878)</u>

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



Mr I M Livingstone
Director

Approved by the board on 18 June 2004

LR (Bristol) Limited
Notes to the Accounts
for the year ended 30 September 2003

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Depreciation

Compliance with Statement of Standard Accounting Practice 19 (SSAP 19) "Accounting for Investment Properties" requires departure from the requirements of the Companies Act 1985 relating to depreciation and an explanation for the departure is given below.

Development properties

Development properties represent property held with the intention of resale. Development property is included at the lower of cost and net realisable value. Where cost exceeds the value of the property then adjustments are made to write down the value accordingly. Cost represents all costs incurred to the balance sheet date but does not include any interest costs.

Deferred taxation

Deferred taxation is provided on the liability method on all timing differences which are expected in the foreseeable future, calculated at the rate at which it is estimated that the tax will be payable.

Cash flow statement

The company has taken advantage of the exemption permitted by Financial Reporting Standard 1, whereby a cash flow statement need not be prepared by a small company as defined in the Companies Act 1985.

Turnover

Turnover comprises rental income net of value added tax.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity, wholly undertaken in the UK.

3 Operating profit

2003	2002
£	£

This is stated after charging:

Auditors' remuneration	<u>1,600</u>	<u>1,550</u>
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4 Interest payable

2003	2002
£	£

Interest payable on bank borrowings	12,479	2,619
Interest payable on group borrowings	-	54,250
	<u>12,479</u>	<u>56,869</u>

LR (Bristol) Limited
Notes to the Accounts
for the year ended 30 September 2003

5 Taxation

No tax has been provided for due to the availability of losses through group relief.

6 Development Properties	2003	2002
	£	£
Land and work in progress	<u>172,751</u>	<u>137,000</u>

7 Debtors	2003	2002
	£	£
Trade debtors	8,891	1,624
Amounts owed by group undertakings and undertakings in which the company has a participating interest	549,000	549,000
Other debtors	642	11,362
Prepayments and accrued income	836	1,059
	<u>559,369</u>	<u>563,045</u>

8 Creditors: amounts falling due within one year	2003	2002
	£	£
Bank loans and overdrafts	1,956	1,739
Trade creditors	4,584	7,264
Amounts owed to group undertakings	635,699	628,218
Other taxes and social security costs	161	975
Other creditors	681	-
Accruals and deferred income	4,835	4,832
	<u>647,916</u>	<u>643,028</u>

9 Creditors: amounts falling due after one year	2003	2002
	£	£
Bank loans	<u>181,938</u>	<u>183,895</u>

The bank loan is secured by a fixed charge over the investment properties and is repayable in July 2007.

10 Share capital	2003	2002
	£	£
Authorised:		
Ordinary shares of £1 each	<u>600,000</u>	<u>600,000</u>
	2003	2002
	No	No
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<u>549,100</u>	<u>549,100</u>

LR (Bristol) Limited
Notes to the Accounts
for the year ended 30 September 2003

11 Profit and loss account	2003	2002
	£	£
At 1 October	(675,978)	(625,486)
Retained profit/(loss)	29,144	(50,492)
At 30 September	<u>(646,834)</u>	<u>(675,978)</u>

12 Reconciliation of movement in shareholders' funds	2003	2002
	£	£
At 1 October	(126,878)	(76,386)
Profit/(loss) for the financial year	29,144	(50,492)
At 30 September	<u>(97,734)</u>	<u>(126,878)</u>

13 Parent Undertaking

The company is a wholly owned subsidiary of LR (Cardiff) Limited, a company incorporated and registered in the United Kingdom. The ultimate parent undertaking is Nutmeg Limited, a company incorporated in Guernsey, Channel Islands.