

ANTLER HOMES NORTH WEST PLC
(Formerly Antler Property Northern Plc)

Report and Financial Statements

31 March 2001



Deloitte & Touche
Grosvenor House
66/67 Athol Street
Douglas
Isle of Man
IM99 1XJ

**ANTLER HOMES NORTH WEST PLC
(formerly Antler Property Northern Plc)**

REPORT AND FINANCIAL STATEMENTS 2001

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the accounts	7

**ANTLER HOMES NORTH WEST PLC
(formerly Antler Property Northern Plc)**

REPORT AND FINANCIAL STATEMENTS 2001

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

M Cox
Robert J Dodd FCCA
Mark D Ellis
Peter A Fitzgerald
Ian G Sanderson (Managing)
Iain M Ramsay
James Reid MA, ACCA
David P Sheard BA (Hons), ACMA
Alan A Welsh BSc ARICS
D Peter Wood C.Eng., MICE

SECRETARY

Robert J Dodd FCCA

REGISTERED OFFICE

The Old Warehouse
37 Church Street
Weybridge
Surrey
KT13 8DG

BANKS

Barclays Bank Plc
London Corporate Banking
PO Box 544
54 Lombard Street
London EC3V 9EX

Investec Bank (UK) Limited
2 Gresham Street
London
EC2V 7QP

SOLICITORS

Hill Dickenson
34 Cuppin Street
Chester
CH1 2BN

Field Cunningham & Co
St Johns Court
70 Quarry Street
Manchester
M3 3EJ

AUDITORS

Deloitte & Touche
Chartered Accountants
Grosvenor House
66/67 Athol Street
Douglas, Isle of Man
IM99 1XJ

ANTLER HOMES NORTH WEST PLC
(formerly Antler Property Northern Plc)**DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 March 2001.

ACTIVITIES

The principal activity of the company continued to be that of property development.

CHANGE OF NAME

On the 8 November 2000 the company changed its name from Antler Property Northern Plc to Antler Homes North West Plc.

REVIEW OF BUSINESS AND FUTURE PROSPECTS

The company is considering various residential development opportunities.

RESULTS AND DIVIDENDS

The profit for the year attributable to members amounted to £344,471 (2000 : loss £29,061). The directors do not recommend the payment of a dividend (2000 : £nil). The profit for the year has been transferred to reserves.

The directors are satisfied that adequate provision has been made to finance the company.

CLOSE COMPANY STATUS

The company is a close company for tax purposes.

CREDITOR DAYS AND PAYMENT TERMS

It is Company policy to agree and clearly communicate the terms of payment as part of the commercial arrangement negotiated with suppliers and then to pay according to those terms based upon the timely receipt of an accurate invoice.

DIRECTORS AND THEIR INTERESTS

The present membership of the Board is set out on page 1. All the directors served throughout the year and to date, with the following exceptions:

	Appointed
M Cox	2 July 2001
M D Ellis	3 July 2000
P A Fitzgerald	3 July 2000
J Reid	2 July 2001
D P Sheard	31 July 2000

R J Dodd and I G Sanderson retire by rotation and being eligible, offer themselves for re-election.

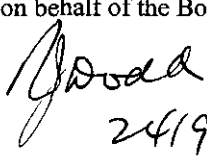
No director has or had at any time during the year any interest in the shares of the company or any other group undertaking.

AUDITORS

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

R J Dodd
Secretary



24/9 2001

ANTLER HOMES NORTH WEST PLC
(formerly Antler Property Northern Plc)

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 as at the end of the financial year 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;
- state whether applicable accounting standards have been followed;
- 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' REPORT TO THE MEMBERS OF

ANTLER HOMES NORTH WEST PLC

(Formerly Antler Property Northern Plc)

We have audited the financial statements on pages 5 to 12 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements which are required to be prepared in accordance with applicable United Kingdom law and Accounting Standards. 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 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 at 31 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



DELOITTE & TOUCHE

Chartered Accountants and Registered Auditors

24 September 2001

ANTLER HOMES NORTH WEST PLC
(Formerly Antler Property Northern Plc)
PROFIT AND LOSS ACCOUNT
Year ended 31 March 2001

	Note	2001 £	2000 £
Turnover	2	6,624,390	2,064,935
Cost of sales		(5,441,186)	(1,658,399)
Gross profit		1,183,204	406,536
Administrative expenses		(719,208)	(340,473)
Other operating income	5	2,942	-
Operating profit	3	466,938	66,063
Other interest receivable and similar income	6	201,265	3,092
Interest payable and similar charges	7	(249,947)	(107,971)
Profit/(loss) on ordinary activities before taxation		418,256	(38,816)
Tax on profit/(loss) on ordinary activities	8	(73,785)	9,755
Profit/(loss) for the financial year	17	344,471	(29,061)

The directors consider that the company's activities are continuing. As there are no recognised gains or losses or other movements in shareholders' funds for the current and prior financial years except as stated in the profit and loss account, a Statement of Total Recognised Gains and Losses and a Reconciliation of Movements in Shareholders' Funds have not been prepared.

ANTLER HOMES NORTH WEST PLC
(Formerly Antler Property Northern Plc)
BALANCE SHEET
31 March 2001

	Note	2001 £	2001 £	2000 £	2000 £
FIXED ASSETS					
Tangible fixed assets	9	150,154		83,237	
Investments	10	-		50	
			150,154		83,287
CURRENT ASSETS					
Stocks	11	5,865,172		4,313,415	
Debtors	12	3,849,844		1,045,852	
Cash at bank and in hand		36,732		20,921	
		9,751,748		5,380,188	
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR					
Bank loans and overdrafts	13	2,495,127		2,479,000	
Obligations under hire purchase agreements		52,447		29,594	
Trade creditors		817,949		460,253	
Amount owed to parent undertaking		5,673,510		2,045,602	
Accruals and deferred income		320,264		251,750	
		9,359,297		5,266,199	
NET CURRENT ASSETS			392,451		113,989
TOTAL ASSETS LESS CURRENT LIABILITIES			542,605		197,276
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	14		(2,046,742)		(2,045,884)
NET LIABILITIES			(1,504,137)		(1,848,608)
CAPITAL AND RESERVES					
Called up share capital	16		814,150		814,150
Profit and loss account (deficit)	17		(2,318,287)		(2,662,758)
EQUITY SHAREHOLDERS' FUNDS			(1,504,137)		(1,848,608)

These financial statements were approved by the Board of Directors on 24/9/2001.

Signed on behalf of the Board of Directors

I G Sanderson

Director



ANTLER HOMES NORTH WEST PLC
(Formerly Antler Property Northern Plc)**NOTES TO THE ACCOUNTS****Year ended 31 March 2001****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

The directors have confirmed that the parent company has agreed to provide financial support to enable the company to meet any shortfall in the company's ability to meet its liabilities as they fall due. On this basis the directors are satisfied that the going concern basis of preparation of these financial statements continues to remain appropriate.

Tangible fixed assets

Assets are depreciated in equal annual instalments over their estimated useful lives. The rates of depreciation are as follows:

Motor vehicles	25%
Equipment	10 - 33%

Stocks

Developments in progress are included in stocks at the lower of cost and net realisable value. Cost comprises the cost of the property acquired, direct costs, and attributable interest. Net realisable value is the assessed sale price after deducting the cost of completing and selling.

Leases and hire purchase agreements

Assets held under finance leases and hire purchase agreements and the related obligations are recorded in the balance sheet at the fair value of the assets at the inception of such leases and agreements. The amounts by which the lease and hire purchase payments exceed the recorded obligations are treated as finance charges which are amortised over the relevant term to give a constant rate of charge on the remaining balance of the obligations.

Rental costs under operating leases are charged to profit and loss account in equal annual amounts over the periods of the leases.

Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value.

Deferred taxation

Deferred taxation is provided on timing differences arising from the different treatment of items for accounting and taxation purposes, calculated at the rates at which it is expected that tax will arise.

Pension and other post retirement benefits

The company operates a money purchase pension scheme. Contributions are charged to the profit and loss account in the period to which they relate.

2. TURNOVER

Turnover represents sales exclusive of value added tax. All of the turnover and profit before tax are derived from the company's principal activity, and arise wholly within the United Kingdom. The directors consider there is only one class of business.

ANTLER HOMES NORTH WEST PLC
(Formerly Antler Property Northern Plc)
NOTES TO THE ACCOUNTS
Year ended 31 March 2001
3. OPERATING PROFIT

	2001 £	2000 £
Operating profit is after charging:		
Auditors remuneration:		
Audit fee	5,018	4,000
Other services	2,100	2,350
Depreciation	41,128	9,193
	<u> </u>	<u> </u>

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2001 £	2000 £
Director's fees and other emoluments	213,521	78,938
Remuneration of highest paid director	85,636	78,938
	<u> </u>	<u> </u>
	2001	2000
	£	£
Employee costs during the year:		
Wages and salaries	170,910	93,275
Social security costs	16,782	11,818
Other pension and life insurance costs	8,882	4,655
	<u> </u>	<u> </u>
	196,574	109,748
	<u> </u>	<u> </u>
The average number of persons employed was:	13	5
	<u> </u>	<u> </u>

Directors' fees and other emoluments includes a contribution to the money purchase pension schemes on behalf of 3 directors of £14,102. (2000 : £6,360).

5. OTHER OPERATING INCOME

	2001 £	2000 £
Net rents from development properties awaiting disposal	2,942	-
	<u> </u>	<u> </u>
	2,942	-
	<u> </u>	<u> </u>

ANTLER HOMES NORTH WEST PLC
(Formerly Antler Property Northern Plc)
NOTES TO THE ACCOUNTS
Year ended 31 March 2001
6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2001	2000
	£	£
Sale of fixed assets	-	2,700
Sale of former building society preference shares	-	272
Other interest receivable	201,265	120
	<u>201,265</u>	<u>3,092</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2001	2000
	£	£
Bank loans, overdrafts and other loans repayable within 5 years	231,226	80,475
Finance charges – finance leases and hire purchase contracts	6,079	1,085
Parent undertaking (note 14)	243,853	106,882
Less: Charged to stock	(231,211)	(80,471)
	<u>249,947</u>	<u>107,971</u>

8. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

The 2001 tax charge of £73,785 represents payment for surrender of losses as group relief at a rate of 30%.

9. TANGIBLE FIXED ASSETS

	Motor vehicles, furniture & equipment
	£
Cost	
At 1 April 2000	96,947
Additions	103,166
Transfer from a Group undertaking	7,555
	<u>207,668</u>
At 31 March 2001	
Depreciation	
At 1 April 2000	13,710
Charge for the year	41,128
Transfer from a Group undertaking	2,676
	<u>57,514</u>
At 31 March 2001	
Net book value	
At 31 March 2001	<u>150,154</u>
At 31 March 2000	<u>83,237</u>

The net book value of fixed assets includes £112,750 (2000: £77,850) in respect of assets held under hire purchase agreements.

ANTLER HOMES NORTH WEST PLC
(Formerly Antler Property Northern Plc)
NOTES TO THE ACCOUNTS
Year ended 31 March 2001
10. INVESTMENTS

The company had a 50% holding in Snowbed Properties Limited, a company registered in England and Wales. The company's principal activity is trading in properties. This investment was equity accounted for in the consolidated financial statements prepared by Antler Property Corporation Plc. The company acquired the remaining 50% holding on 16 August 2000. On 29 March 2001 the 100% holding in Snowbed Properties Limited was transferred at cost to Antler Property Investments Plc.

11. STOCKS

Stocks comprise land and buildings in progress held for development and resale.	2001	2000
	£	£
Cost or net realisable value	5,865,172	4,313,415

Interest capitalised in stock is £92,244 (2000 : £46,541).

12. DEBTORS

	2001	2000
	£	£
Due within one year:		
Trade debtors	3,714,789	774,595
Amounts owed by associated undertakings	-	99,000
Other debtors	135,055	172,257
	<u>3,849,844</u>	<u>1,045,852</u>

The amount owed by associated undertakings is subordinated to amounts owed by the associated undertakings to their bankers.

13. BANK LOANS AND OVERDRAFTS

The bank loans are secured by a first legal charge over each of the company's residential sites, a debenture over the assets of the Borrower and a guarantee in the sum of £4,757,050 from the ultimate parent company. Interest is payable on the loans at 2% over Barclays Base Rate.

14. CREDITORS : AMOUNTS FALLING DUE AFTER ONE YEAR

	2001	2000
	£	£
Hire purchase agreements (note 15)	46,742	45,884
Amount owed to parent undertaking	2,000,000	2,000,000
	<u>2,046,742</u>	<u>2,045,884</u>

The parent undertaking loan is for an unspecified term with a minimum period of one year from the balance sheet date. Interest is discretionary at 3% over Barclays Bank base rate.

ANTLER HOMES NORTH WEST PLC
(Formerly Antler Property Northern Plc)
NOTES TO THE ACCOUNTS
Year ended 31 March 2001
15. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2001	2000
	£	£
Minimum lease payments payable:		
Within one year	52,447	29,594
Within two to five years	46,742	45,884
	<u>99,189</u>	<u>75,478</u>

16. CALLED UP SHARE CAPITAL

	2001	2000
	£	£
Ordinary shares of £1 each		
Authorised 2,000,000 shares	2,000,000	2,000,000
Allotted and fully paid - 814,150 shares	<u>814,150</u>	<u>814,150</u>

17. PROFIT AND LOSS ACCOUNT

	2001	2000
	£	£
Balance at 1 April	(2,662,758)	(2,633,697)
Profit/(loss) for the year	344,471	(29,061)
Balance at 31 March	<u>(2,318,287)</u>	<u>(2,662,758)</u>

18. PROPERTY CONTRACT COMMITMENTS

At the balance sheet date, the company had entered into property purchase contracts amounting to £2,200,000 which are not accrued in the financial statements. This amount will become payable if planning permission is obtained on the properties concerned.

19. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate parent company is Antler Homes Plc, a company registered in England and Wales. The ultimate parent company is Antler Property Corporation Limited, a company having been incorporated in Bermuda, discontinued and holding a certificate of continuance in the British Virgin Islands.

Antler Homes Plc is considered to be the controlling party of the company. The ultimate controlling party is considered to be the Trustees of the P S Gower Settlement.

20. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption under Financial Reporting Standard No.8 not to disclose transactions between entities, 90% or more of whose voting rights are controlled within the Antler Homes Plc group.