

**EAGLE ONE ESTATES LIMITED**  
**(FORMERLY ROCKEAGLE ESTATES LIMITED)**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2001**



# **EAGLE ONE ESTATES LIMITED**

## **COMPANY INFORMATION**

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### **Directors**

Mr M R Kay  
Dr H Kay  
Mr N I Hole

Mr N I Hole resigned on 25 May  
2001

### **Secretary**

Mr P J Goodes

### **Company number**

1758817

### **Registered office**

Mamhead House  
Mamhead  
Exeter  
Devon  
EX6 8HD

### **Auditors**

Thompson Jenner Chartered  
Accountants  
1 Colleton Crescent  
Exeter  
Devon  
EX2 4DG

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# EAGLE ONE ESTATES LIMITED

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# EAGLE ONE ESTATES LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 2001

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

### Principal activities

The company's principal activity during the year was the letting of investment properties.

On 19th March 2001, the group formerly headed by Rockeagle Holdings Limited, completed a restructuring exercise.

Details of the company's ultimate holding company and ultimate controlling party are disclosed in note 18 to the financial statements.

As part of this restructuring, the company changed its name to Eagle One Estates Limited.

### Directors and their interests

The directors who held office during the year and their beneficial interests in the company's issued share capital are given below:

| Name of director | Share type | At 31st March 2001 | At 1st April 2000 |
|------------------|------------|--------------------|-------------------|
| Mr M R Kay       | Ordinary   | -                  | -                 |
| Dr H Kay         | Ordinary   | -                  | -                 |
| Mr N I Hole      | Ordinary   |                    |                   |

Mr N I Hole resigned on 25 May 2001.

None of the directors had a beneficial interest in the share capital of the company at any time in the period. Mr M R Kay is also a director of the company's ultimate holding company, Eagle One Investment Holdings Limited. Their interests in the shares of the holding company are disclosed in the financial statements of that company.

### 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 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;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

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 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.

# EAGLE ONE ESTATES LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH 2001

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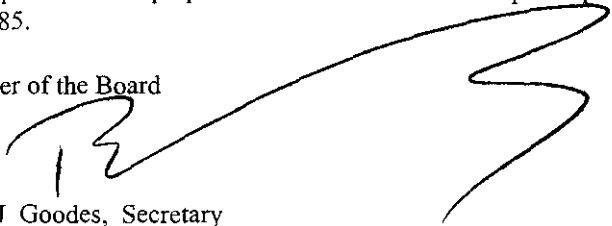
### Auditors

The auditors, Messrs. Thompson Jenner are deemed to be re-appointed in accordance with Section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 14 January 1992.

### Small company exemptions

This report has been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985.

By order of the Board



Mr P J Goodes, Secretary  
Mamhead House  
Mamhead  
Exeter  
Devon  
EX6 8HD

Date: 30.01.02

# AUDITORS' REPORT TO THE SHAREHOLDERS OF EAGLE ONE ESTATES LIMITED

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We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

## Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and report our opinion to you.

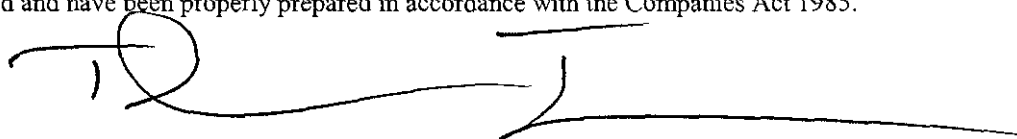
## Basis of opinion

We conducted our audit in accordance with 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 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 the 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 31st March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Thompson Jenner Chartered Accountants  
Chartered Accountants and Registered Auditors  
1 Colleton Crescent  
Exeter  
Devon  
EX2 4DG  
Date: 30.1.02

# EAGLE ONE ESTATES LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2001

|  | Notes | 2001<br>£        | 2000<br>£        |
|--|-------|------------------|------------------|
| <b>Turnover</b>                                      | 2     | <u>920,879</u>   | <u>928,127</u>   |
| <b>Gross profit</b>                                  |       | <u>920,879</u>   | <u>928,127</u>   |
| Administrative expenses                              |       | (30,983)         | (35,002)         |
| <b>Operating profit</b>                              | 5     | <u>889,896</u>   | <u>893,125</u>   |
| Interest receivable                                  | 3     | 109              | 1,458            |
| Interest payable and similar charges                 |       | <u>(636,228)</u> | <u>(552,517)</u> |
| <b>Profit on ordinary activities before taxation</b> |       | <u>253,777</u>   | <u>342,066</u>   |
| Tax on profit on ordinary activities                 | 6     | -                | -                |
| <b>Profit for the financial year</b>                 | 16    | <u>253,777</u>   | <u>342,066</u>   |
| <b>Retained profit brought forward</b>               |       | <u>407,578</u>   | <u>65,512</u>    |
| <b>Retained profit carried forward</b>               |       | <u>661,355</u>   | <u>407,578</u>   |

All amounts relate to continuing activities.

There were no recognised gains or losses for 2001 or 2000 other than those included in the profit and loss account.

# EAGLE ONE ESTATES LIMITED

## BALANCE SHEET

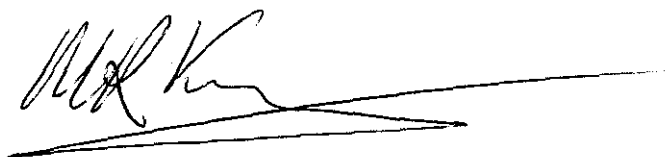
AS AT 31ST MARCH 2001

|  | Notes | £                | 2001<br>£           | £                | 2000<br>£           |
|--|-------|------------------|---------------------|------------------|---------------------|
| <b>Fixed assets</b>  |       |                  |                     |                  |                     |
| Tangible assets  | 7     |                  | 10,410,000          |                  | 10,410,000          |
| Investments  | 8     |                  | 4                   |                  | 1                   |
|  |       |                  | <u>10,410,004</u>   |                  | <u>10,410,001</u>   |
| <b>Current assets</b>  |       |                  |                     |                  |                     |
| Stocks   | 9     | 1,350,000        |                     | 1,350,000        |                     |
| Debtors  | 10    | 109,050          |                     | 153,668          |                     |
| Cash at bank and in hand                                       |       | 20,497           |                     | 134,860          |                     |
|  |       | <u>1,479,547</u> |                     | <u>1,638,528</u> |                     |
| <b>Creditors: amounts falling due within one year</b>          | 11    | <u>(266,938)</u> |                     | <u>(416,295)</u> |                     |
| <b>Net current assets</b>                                      |       |                  | <u>1,212,609</u>    |                  | <u>1,222,233</u>    |
| <b>Total assets less current liabilities</b>                   |       |                  | <u>11,622,613</u>   |                  | <u>11,632,234</u>   |
| <b>Creditors: amounts falling due after more than one year</b> | 12    |                  | <u>(10,961,158)</u> |                  | <u>(11,224,556)</u> |
|  |       |                  | <u>661,455</u>      |                  | <u>407,678</u>      |
| <b>Capital and reserves</b>                                    |       |                  |                     |                  |                     |
| Share capital  | 15    |                  | 100                 |                  | 100                 |
| Profit and loss account  | 16    |                  | 661,355             |                  | 407,578             |
| <b>Shareholders' funds</b>                                     | 17    |                  | <u>661,455</u>      |                  | <u>407,678</u>      |

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

These financial statements were approved by the board on 30.01.02 and signed on its behalf by:

Mr M R Kay  
Director





# EAGLE ONE ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2001

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### 1 Accounting policies

#### Basis of accounting

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

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

#### Turnover

Turnover is the total amount receivable by the company as rental income, excluding VAT and trade discounts.

#### Investment properties

In accordance with Statement of Standard Accounting Practice No. 19, certain of the company's properties are held for long-term investment and are included in the Balance Sheet at their open market values. The surplus or deficit on revaluation of such properties are transferred to the investment property revaluation reserve. Depreciation is not provided in respect of freehold investment properties. Leasehold investment properties are not amortised where the unexpired term is over twenty years.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the Financial Statements may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

#### Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

#### Long term contracts

Work in progress is valued at the lower of cost and net realisable value where cost comprises direct materials and labour costs. Specific provisions are made where necessary to reduce the value of the work in progress to the net realisable value in the ordinary course of business. Long term work in progress is valued at cost incurred, less that which is transferred to the profit and loss account, less provisions for foreseeable losses.

#### Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

### 2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

|    |         |         |
|----|---------|---------|
| UK | 920,879 | 928,127 |
|----|---------|---------|

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# EAGLE ONE ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2001

|          |  |                                  |                          |
|----------|--|----------------------------------|--------------------------|
| <b>3</b> | <b>Interest receivable</b>   | <b>2001</b>                      | <b>2000</b>              |
|          |  | £                                | £                        |
|          | Bank interest receivable   | <u>109</u>                       | <u>1,458</u>             |
| <b>4</b> | <b>Interest payable and similar charges</b>  | <b>2001</b>                      | <b>2000</b>              |
|          |  | £                                | £                        |
|          | Interest payable on bank loans and overdrafts  | <u>636,228</u>                   | <u>552,517</u>           |
| <b>5</b> | <b>Operating profit</b>  |                                  |                          |
|          | <i>The operating profit is stated after charging or crediting:</i>   | <b>2001</b>                      | <b>2000</b>              |
|          |  | £                                | £                        |
|          | Auditors' remuneration   | <u>1,255</u>                     | <u>1,985</u>             |
| <b>6</b> | <b>Taxation</b>  |                                  |                          |
|          | No provision in respect of corporation tax has been made because the taxable profit has been relieved by group losses. |                                  |                          |
| <b>7</b> | <b>Tangible fixed assets</b>   |                                  |                          |
|          |  | <b>Investment<br/>Properties</b> | <b>Total</b>             |
|          |  | £                                | £                        |
|          | <b>Cost or valuation</b>   |                                  |                          |
|          | At 1st April 2000  | <u>10,410,000</u>                | <u>10,410,000</u>        |
|          | <b>At 31st March 2001</b>  | <u><b>10,410,000</b></u>         | <u><b>10,410,000</b></u> |
|          | <b>Net Book Value</b>  |                                  |                          |
|          | <b>At 31st March 2001</b>  | <u><b>10,410,000</b></u>         | <u><b>10,410,000</b></u> |
|          | <i>At 31st March 2000</i>  | <u><i>10,410,000</i></u>         | <u><i>10,410,000</i></u> |

Investment properties were valued at 31 March 2001 by a director, Mr M R Kay, Chartered Surveyor, at £10,410,000. These were based on professional valuations undertaken by King Sturge, independent valuers, amounting to £1,050,000 in May 1999 and £7,100,000 in March 1999 and internal valuations amounting to £2,260,000.

# EAGLE ONE ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2001

### 8 Fixed asset investments

|                           | Other<br>investments<br>other than<br>loans |
|---------------------------|---|
| Cost                      | £   |
| At 1st April 2000         | 1   |
| Additions                 | 3   |
| <b>At 31st March 2001</b> | <b>4</b>                                    |
| <b>Net book value</b>     |   |
| <b>At 31st March 2001</b> | <b>4</b>                                    |
| <i>At 31st March 2000</i> | <i>1</i>                                    |

The fixed asset investments represent holdings in the ordinary shares of The Square Management Company (Bath) Limited (18.75%) and King Street Management Company (Bristol) Limited (16.67%)

| 9 | Stocks           | 2001             | 2000             |
|---|------------------|------------------|------------------|
|   |                  | £                | £                |
|   | Work in progress | <u>1,350,000</u> | <u>1,350,000</u> |

| 10 | Debtors                        | 2001           | 2000           |
|----|--------------------------------|----------------|----------------|
|    |                                | £              | £              |
|    | Trade debtors                  | 54,113         | 81,219         |
|    | Prepayments and accrued income | 54,937         | 72,449         |
|    |                                | <u>109,050</u> | <u>153,668</u> |

Included in the above are amounts falling due after more than one year as follows:

|                                |               |               |
|--------------------------------|---------------|---------------|
| Prepayments and Accrued Income | <u>37,425</u> | <u>54,937</u> |
|--------------------------------|---------------|---------------|

| 11 | Creditors: amounts falling due within one year | 2001           | 2000           |
|----|--|----------------|----------------|
|    |  | £              | £              |
|    | Trade creditors                                | 50             | 2,631          |
|    | Other taxes and social security                | 47,797         | 54,137         |
|    | Accruals and deferred income                   | 219,091        | 359,527        |
|    |  | <u>266,938</u> | <u>416,295</u> |

# EAGLE ONE ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2001

|  |  |                          |                   |
|--|--|--------------------------|-------------------|
| <b>12</b>  | <b>Creditors: amounts falling due after more than one year</b>       | <b>2001</b>              | <b>2000</b>       |
|  |  | <b>£</b>                 | <b>£</b>          |
|  | Loans (Note 13)  | 8,600,000                | 8,600,000         |
|  | Amounts owed to associated undertakings (Note 13)                    | 2,361,158                | 2,624,556         |
|  |  | <u>10,961,158</u>        | <u>11,224,556</u> |
| The loan is secured on the property held in Fixed Assets and Work in Progress. |  |                          |                   |
| <b>13</b>  | <b>Loans and borrowings</b>  | <b>2001</b>              | <b>2000</b>       |
|  |  | <b>£</b>                 | <b>£</b>          |
|  | <b>Analysis of loans</b>   |                          |                   |
|  | Other loans  | 8,600,000                | 8,600,000         |
|  | Amounts owed to associated undertakings                              | 2,361,158                | 2,624,556         |
|  |  | <u>10,961,158</u>        | <u>11,224,556</u> |
|  | <b>Maturity of debt</b>  |                          |                   |
|  | In more than one year, but not more than two years                   | 2,361,158                | 2,624,556         |
|  | Between two and five years   | 8,600,000                | 8,600,000         |
|  |  | <u>10,961,158</u>        | <u>11,224,556</u> |
| <b>14</b>  | <b>Deferred taxation</b>   | <b>Amount unprovided</b> |                   |
|  |  | <b>2001</b>              | <b>2000</b>       |
|  |  | <b>£</b>                 | <b>£</b>          |
|  | Unrealised capital gains   | 803,235                  | 942,000           |
| <b>15</b>  | <b>Share capital</b>   | <b>2001</b>              | <b>2000</b>       |
|  |  | <b>£</b>                 | <b>£</b>          |
|  | <b>Authorised</b>  |                          |                   |
|  | 100 Ordinary shares of £1.00 each                                    | 100                      | 100               |
|  | <b>Allotted</b>  |                          |                   |
|  | 100 Allotted, called up and fully paid ordinary shares of £1.00 each | 100                      | 100               |

# EAGLE ONE ESTATES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2001

### 16 Reserves

|                     | Profit<br>and loss<br>account<br>£ |
|---------------------|------------------------------------|
| At 1 April 1999     | 65,512                             |
| Profit for the year | 342,066                            |
| At 1st April 2000   | 407,578                            |
| Profit for the year | 253,777                            |
| At 31st March 2001  | 661,355                            |

### 17 Reconciliation of movement in shareholders' funds

|                                     | 2001<br>£ | 2000<br>£ |
|-------------------------------------|-----------|-----------|
| Profit for the financial year       | 253,777   | 342,066   |
| Increase in the shareholders' funds | 253,777   | 342,066   |
| Opening shareholders' funds         | 407,678   | 65,612    |
| Closing shareholders' funds         | 661,455   | 407,678   |

### 18 Related parties

Exemption has been taken of the requirement to disclose transactions with group companies on the grounds that the company is included in publicly available consolidated accounts.

The company's parent company is Eagle One Limited (formerly Rockeagle Limited), a company incorporated in England.

The ultimate parent company is Eagle One Investment Holdings Limited, a company incorporated in England.

The ultimate controlling party is Mr M R Kay.