

Registration number 1758817

Eagle One Estates Limited
Directors' report and financial statements
for the year ended 31 March 2002



Eagle One Estates Limited

Company information

Directors	M R Kay	
	H Kay	
	N I Hole	Resigned 25 May 2001
	P J Goodes	Appointed 21 January 2002
	A P Cutler	Appointed 21 January 2002
	C Fayers	Appointed 21 January 2002
Secretary	P J Goodes	
	M R Kay	
Company number	1758817	
Registered office	Mamhead House Mamhead Exeter Devon EX6 8HD	
Auditors	Thompson Jenner 1 Colleton Crescent Exeter Devon EX2 4DG	

Eagle One Estates Limited

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Eagle One Estates Limited

Directors' report for the year ended 31 March 2002

The directors present their report and the financial statements for the year ended 31 March 2002.

Principal activity

The principal activity of the company was the letting of investment properties.

On the 17th April 2001 the company changed its name from Rockeagle Estates Limited to Eagle One Estates Limited.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

		Ordinary shares	
		31/03/02	01/04/01
		or date of appointment	
M R Kay		-	-
H Kay		-	-
N I Hole	Resigned 25 May 2001	-	-
P J Goodes	Appointed 21 January 2002	-	-
A P Cutler	Appointed 21 January 2002	-	-
C Fayers	Appointed 21 January 2002	-	-

None of the directors had a beneficial interest in the share capital of the company at any time in the period. Messrs M R Kay, P J Goodes, A P Cutler and C Fayers are also directors of the company's ultimate holding company, Eagle One Investment Holdings Limited. Their interests in the shares of the holding company is disclosed in the financial statements of that company.

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

26 OCTOBER 2002

This report was approved by the Board on

and signed on its behalf by

P J Goodes
Secretary

Eagle One Estates Limited

Independent auditors' report to the shareholders of Eagle One Estates Limited

We have audited the financial statements of Eagle One Estates Limited for the year ended 31 March 2002 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

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 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 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.

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 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Thompson Jenner
Registered auditors

28 OCTOBER 2002

1 Colleton Crescent
Exeter
Devon
EX2 4DG

Eagle One Estates Limited

Profit and loss account for the year ended 31 March 2002

Continuing operations

2002

2001

Notes

£

£

Turnover

2

954,051

920,879

Cost of sales

(49,203)

-

Gross profit

904,848

920,879

Administrative expenses

(26,364)

(30,983)

Operating profit

3

878,484

889,896

Other interest receivable and
similar income

4

-

109

Interest payable and similar charges

5

(526,819)

(636,228)

Profit on ordinary

activities before taxation

351,665

253,777

Tax on profit on ordinary activities

6

-

-

Retained profit for the year

351,665

253,777

Retained profit brought forward

661,355

407,578

Retained profit carried forward

1,013,020

661,355

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 5 to 11 form an integral part of these financial statements.

Eagle One Estates Limited

Balance sheet as at 31 March 2002

		2002		2001	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		10,410,000		10,410,000
Investments	8		4		4
			<u>10,410,004</u>		<u>10,410,004</u>
Current assets					
Stocks	9	1,350,000		1,350,000	
Debtors	10	79,288		109,050	
Cash at bank and in hand		705		20,497	
		<u>1,429,993</u>		<u>1,479,547</u>	
Creditors: amounts falling due within one year	11	(272,305)		(266,938)	
Net current assets			<u>1,157,688</u>		<u>1,212,609</u>
Total assets less current liabilities			11,567,692		11,622,613
Creditors: amounts falling due after more than one year	12		(10,554,572)		(10,961,158)
Net assets			<u>1,013,120</u>		<u>661,455</u>
Capital and reserves					
Called up share capital	14		100		100
Profit and loss account	15		1,013,020		661,355
Equity shareholders' funds	16		<u>1,013,120</u>		<u>661,455</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 23 OCTOBER 2002 and signed on its behalf by

P J Goodes
Director



The notes on pages 5 to 11 form an integral part of these financial statements.

Eagle One Estates Limited

Notes to the financial statements for the year ended 31 March 2002

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Turnover

Turnover represents the total amount receivable by the company as retail income, excluding value added tax.

1.3 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.

1.4. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5. Stock and work in progress

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 provision for foreseeable losses.

1.6. Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes using the liability method, and in accordance with Financial Reporting Standard 19 (Accounting for Deferred Taxation) full provision is provided.

Eagle One Estates Limited

Notes to the financial statements for the year ended 31 March 2002

..... continued

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

Operating profit is stated after charging:
Auditors' remuneration

2002	2001
£	£
1,000	1,255

4. Interest receivable and similar income

Bank interest

2002	2001
£	£
-	109

5. Interest payable and similar charges

Included in this category is the following:
On loans repayable between two and five years

2002	2001
£	£
526,819	636,228

Eagle One Estates Limited

Notes to the financial statements for the year ended 31 March 2002

..... continued

6. Tax on profit on ordinary activities

Analysis of charge in period

	2002 £	2001 £
Current tax		
UK corporation tax	-	-
Total current tax charge	-	-
Tax on profit on ordinary activities	-	-

Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2002 £	2001 £
Profit on ordinary activities before taxation	351,665	253,777
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (31 March 2001: 30%)	105,500	76,133
Capital allowances for period in excess of depreciation	(4,877)	(6,502)
Utilisation of tax losses brought forward	(100,623)	(73,136)
Tax losses not utilised carried forward	-	3,505
Current tax charge for period	-	-

7. Tangible fixed assets

	Investment Properties £	Total £
Cost		
At 1 April 2001	10,410,000	10,410,000
At 31 March 2002	10,410,000	10,410,000
Net book values		
At 31 March 2002	10,410,000	10,410,000
At 31 March 2001	10,410,000	10,410,000

Eagle One Estates Limited

Notes to the financial statements for the year ended 31 March 2002

..... continued

Investment properties were valued at 31 March 2002 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.

8. Fixed asset investments	Other unlisted investments £
Cost	
At 1 April 2001	
At 31 March 2002	4
Net book values	
At 31 March 2002	4
At 31 March 2001	4

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	2002 £	2001 £
Work in progress	1,350,000	1,350,000
	<u> </u>	<u> </u>
10. Debtors	2002 £	2001 £
Trade debtors	31,363	54,113
Prepayments and accrued income	47,925	54,937
	<u>79,288</u>	<u>109,050</u>

Amounts falling due after more than one year and included in debtors are:

Prepayments and accrued income	<u>19,912</u>	<u>37,425</u>
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Eagle One Estates Limited

Notes to the financial statements for the year ended 31 March 2002

..... continued

11. Creditors: amounts falling due within one year	2002 £	2001 £
Trade creditors	50	50
Other taxes and social security costs	50,495	47,797
Accruals and deferred income	221,760	219,091
	<u>272,305</u>	<u>266,938</u>
12 Creditors: amounts falling due after more than one year	2002 £	2001 £
Bank loan	8,600,000	8,600,000
Amount owed to group companies	1,954,572	2,361,158
	<u>10,554,572</u>	<u>10,961,158</u>
Analysis of Loans		
Loans	8,600,000	8,600,000
Amount owed to group companies	1,954,572	2,361,158
	<u>10,554,572</u>	<u>10,961,158</u>
Maturity of debt		
Repayable between one and two years	1,954,572	2,361,158
Repayable between two and five years	8,600,000	8,600,000
	<u>10,554,572</u>	<u>10,961,158</u>

The loan is secured on the investment properties and work in progress.

Eagle One Estates Limited

Notes to the financial statements for the year ended 31 March 2002

..... continued

13. Deferred taxation

Deferred tax is analysed over the following timing differences:

	Not provided		Provided	
	2002	2001	2002	2001
	£	£	£	£
Accelerated capital allowances	181,727	-	-	-
Tax losses available	19,609	-	-	-
	<u>162,118</u>	<u>-</u>	<u>-</u>	<u>-</u>
Surplus on revaluation of property	844,932	803,325	-	-
	<u>1,007,050</u>	<u>803,325</u>	<u>-</u>	<u>-</u>

The amount unprovided represents a contingent liability at the balance sheet date and is calculated using a tax rate of 30%.

14. Share capital

	2002	2001
	£	£
Authorised equity		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid equity		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

15. Equity Reserves

	Profit and loss account	Total
	£	£
At 1 April 2001	661,355	661,355
Retained profit for the year	<u>351,665</u>	<u>351,665</u>
At 31 March 2002	<u>1,013,020</u>	<u>1,013,020</u>

Eagle One Estates Limited

Notes to the financial statements for the year ended 31 March 2002

..... continued

16. Reconciliation of movements in shareholders' funds	2002	2001
	£	£
Profit for the year	351,665	253,777
Opening shareholders' funds	661,455	407,678
Closing shareholders' funds	<u>1,013,120</u>	<u>661,455</u>

17. Related party transactions

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.

18. Ultimate parent undertaking

The company's parent company is Eagle One Limited, a company incorporated in England.

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

19. Controlling interest

The company's ultimate controlling party is Mr M R Kay.