

**BOLDHURST PROPERTIES LIMITED**

**Company No: 2083005**

DUPLICATE COPY  
OF THE ORIGINAL

**FINANCIAL STATEMENTS**

**- for the period ended -**

**30TH SEPTEMBER 2001**



**CAVENDISH**  
Chartered Certified Accountants  
Registered Auditors  
61 Chandos Place  
London WC2N 4HG

**Reference: 5021/B91**

**BOLDHURST PROPERTIES LIMITED**

**DIRECTORS**

T. Gwyn-Jones  
J.H. Jackson

**SECRETARY**

K. Bainbridge

**BUSINESS ADDRESS**

Hamstead Park  
Hamstead Marshall  
Newbury  
Berkshire RG20 0HE

**REGISTERED OFFICE**

61 Chandos Place  
London WC2N 4HG

**AUDITORS**

Cavendish  
Chartered Certified Accountants  
61 Chandos Place  
London WC2N 4HG

**SOLICITORS**

Finers Stephens Innocent  
179 Great Portland Street  
London W1N 6LS

**PRINCIPAL BANKERS**

National Westminster Bank plc  
Westminster Branch  
PO Box 3038  
57 Victoria Street  
London SW1H 0HN

Lloyds TSB Bank PLC  
Geneva Branch  
1, Place Bel Air  
Geneva  
Switzerland

**BOLDHURST PROPERTIES LIMITED**

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## **BOLDHURST PROPERTIES LIMITED**

### **REPORT OF THE DIRECTORS**

The directors present their report and audited financial statements for the period 1 January 2001 to 30 September 2001.

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year under review continued to be that of property trading.

The results for the year are given on page 3 of these financial statements. The directors are pleased with the results for the period and look forward to the future with confidence.

#### **DIVIDENDS**

The directors do not recommend payment of a dividend.

#### **DIRECTORS AND THEIR INTERESTS**

The directors at the balance sheet date and their interests in the ultimate parent company at that date and at the beginning of the period (or on appointment if later), were as follows:

	<b><u>Class of shares</u></b>	<b><u>2001</u></b>	<b><u>2000</u></b>
T. Gwyn-Jones	Ordinary shares	2	2
J.H. Jackson	Ordinary shares	-	-

#### **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**

The auditors, Cavendish, are willing to be reappointed in accordance with section 385 of the Companies Act 1985.

**By Order of the Board**

  
T. Gwyn-Jones

**Director**

**Date: 12 December 2002**

**BOLDHURST PROPERTIES LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
BOLDHURST PROPERTIES LIMITED**

We have audited the financial statements of BOLDHURST PROPERTIES LIMITED for the period ended 30 September 2001 on pages 3 to 11. These financial statements have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

**Respective responsibilities of the directors and auditors**

As described in the Statement of Directors' Responsibilities on page 1, 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 affairs of the company as at 30 September 2001 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



CAVENDISH  
Chartered Certified Accountants  
Registered Auditors

61 Chandos Place  
London WC2N 4HG

Date: 13 December 2002

**BOLDHURST PROPERTIES LIMITED****PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30TH SEPTEMBER 2001**

	Notes	2001 £	2000 £
<b>TURNOVER</b>		2,882,867	4,795,714
Cost of sales		(2,301,794)	(3,574,805)
<b>GROSS PROFIT</b>		581,073	1,220,909
Administrative expenses		(279,259)	(752,318)
		301,814	468,591
Other operating income		655,124	1,136,822
<b>OPERATING PROFIT</b>	<b>2</b>	956,938	1,605,413
Income from investments	<b>3</b>	56,278	44,278
Interest payable	<b>4</b>	(993,967)	(1,215,513)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		19,249	434,178
Tax on profit on ordinary activities	<b>7</b>	(1,082)	(191,161)
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		18,167	243,017
Dividends	<b>8</b>	-	(1,116,637)
<b>RETAINED PROFIT FOR THE PERIOD</b>	<b>19</b>	18,167	(873,620)

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

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

**BOLDHURST PROPERTIES LIMITED****BALANCE SHEET AT 30TH SEPTEMBER 2001**

	Notes	2001 £	2000 £
<b>FIXED ASSETS</b>			
Tangible assets	9	8,365	2,226
Investments	10	405	305
		<u>8,770</u>	<u>2,531</u>
<b>CURRENT ASSETS</b>			
Stocks	11	5,788,645	5,035,726
Debtors	12	12,500,132	7,522,955
Investments	13	429,349	1,825,145
Cash at bank and in hand		44	1,321,734
Debtors due after more than one year	14	65,000	65,000
		<u>18,783,170</u>	<u>15,770,560</u>
<b>CREDITORS: Amounts falling due within one year</b>	15	<u>(5,816,750)</u>	<u>(3,442,862)</u>
<b>NET CURRENT ASSETS</b>		<u>12,966,420</u>	<u>12,327,698</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		12,975,190	12,330,229
<b>CREDITORS: Amounts falling due after more than one year</b>	16	(10,532,227)	(9,905,433)
		<u>2,442,963</u>	<u>2,424,796</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	100	100
Profit and loss account	19	2,442,863	2,424,696
<b>SHAREHOLDERS FUNDS</b>	20	<u>2,442,963</u>	<u>2,424,796</u>

The financial statements were approved  
by the board on 12 December 2002  
and signed on its behalf by

T. Gwyn-Jones

Director

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

## **BOLDHURST PROPERTIES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2001**

#### **1. ACCOUNTING POLICIES**

##### **1.1 BASIS OF ACCOUNTING**

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

##### **1.2 TURNOVER**

Turnover represents the total invoice value, excluding value added tax, of properties sold and joint venture participations.

##### **1.3 DEPRECIATION**

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Fixtures and fittings	15% Straight line
Motor vehicle	25% Reducing balance

##### **1.4 STOCKS**

Stocks are valued at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

##### **1.5 DEFERRED TAXATION**

Deferred taxation is provided, using the liability method, where there is a reasonable probability of the amount becoming payable in the foreseeable future.

##### **1.6 PENSIONS**

Pension contributions are charged to the profit and loss account as incurred. These contributions are invested separately from the company's assets.

##### **1.7 GROUP ACCOUNTS**

The financial statements present informatin about the company as an individual undertaking not about its group. The company is a wholly-owned subsidiary undertaking and its immediate parent undertaking is established under the law of a member state of the European Community. The company has therefore taken advantage of the exemption provided by section 228 of the Companies Act 1985 not to prepare group accounts.

#### **2. OPERATING PROFIT**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
The operating profit is stated after charging:		
Depreciation	5,014	2,387
Auditors' remuneration	4,700	5,875



**BOLDHURST PROPERTIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2001****3. INCOME FROM INVESTMENTS**

	2001 £	2000 £
Bank and other interest receivable	37,785	44,278
Income from investments	18,493	-
	<u>56,278</u>	<u>44,278</u>

**4. INTEREST PAYABLE**

	2001 £	2000 £
On bank loans and overdrafts and on loans repayable in full within five years	238,674	300,786
On discounted securities	731,794	880,040
Other interest	22,093	34,687
On overdue tax	1,406	-
	<u>993,967</u>	<u>1,215,513</u>

**5. DIRECTORS AND EMPLOYEES**

	2001 £	2000 £
Staff costs:		
Wages and salaries	73,909	201,616
Social security costs	7,002	21,431
Other pension costs	6,200	6,000
	<u>87,111</u>	<u>229,047</u>

The average number of employees during the period was made up as follows:

	Number	Number
Sales and administration	<u>4</u>	<u>4</u>

Directors' emoluments:

	£	£
Remuneration for management services	<u>5,000</u>	<u>105,000</u>

**6. PENSION COSTS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable by the company amounted to £6,200 (2000: £6,000). All contributions were paid in the period.

**BOLDHURST PROPERTIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2001****7. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2001 £	2000 £
<b>U.K. Corporation Tax</b>		
Current tax on income for the period	1,082	76,425
	1,082	76,425
Adjustment in respect of prior years	-	114,736
	1,082	191,161

**8. DIVIDENDS**

	2001 £	2000 £
<b>Equity interests</b>		
Ordinary:-		
Final dividend	-	1,116,637
	-	1,116,637

**9. TANGIBLE ASSETS**

	Fixtures and fittings £	Motor vehicles £	Total £
<u>Cost</u>			
At 1 January 2001	15,977	-	15,977
Additions	-	11,153	11,153
At 30 September 2001	15,977	11,153	27,130
<u>Depreciation</u>			
At 1 January 2001	13,751	-	13,751
Charge for period	2,226	2,788	5,014
At 30 September 2001	15,977	2,788	18,765
<u>Net book value at 30 September 2001</u>	-	8,365	8,365
<u>Net book value at 31 December 2000</u>	2,226	-	2,226

**BOLDHURST PROPERTIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2001****10. INVESTMENTS**Cost

	Beginning of period £	Additions £	End of period £
Shares:			
Group undertaking	304	100	404
Participating interest	1	-	1
	<u>305</u>	<u>100</u>	<u>405</u>
 <u>Net book value</u>	 <u>305</u>		 <u>405</u>

The following were the subsidiaries at the balance sheet date:

Subsidiary undertakings	Description and proportion of share capital owned		Country of incorporation	Nature of business
Evercoat Limited	Ordinary	100%	G.B.	Property dealing
Hamstead Holdings Limited	Ordinary	100%	G.B.	Property dealing
Stanton Europark Limited	Ordinary	100%	G.B.	Property dealing
Gladheath Limited	Ordinary	100%	G.B.	Bare Trustee
Alimtech Limited	Ordinary	100%	G.B.	Property dealing
Greycroft Holdings Limited	Ordinary	100%	G.B.	Property dealing

The company is exempt from the obligation to prepare group financial statements as it is itself a subsidiary undertaking and its immediate parent undertaking is established under the law of a member state of the European Economic Area.

**11. STOCKS**

	2001 £	2000 £
Properties held for resale	<u>5,788,645</u>	<u>5,035,726</u>

**BOLDHURST PROPERTIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2001****12. DEBTORS**

	2001 £	2000 £
Amounts owed by group undertakings	6,749,495	5,528,657
Amounts owed by participating interest	3,424,980	201,116
Other debtors	2,325,657	1,793,182
	<u>12,500,132</u>	<u>7,522,955</u>

**13. INVESTMENTS - CURRENT ASSETS**

	2001 £	2000 £
<u>Other</u>		
Other investments other than loans	<u>429,349</u>	<u>1,825,145</u>

**14. DEBTORS DUE AFTER MORE THAN ONE YEAR**

	2001 £	2000 £
Mortgage	<u>65,000</u>	<u>65,000</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2001 £	2000 £
Bank loans and overdrafts	1,881,176	1,611,172
Amounts owed to group undertakings	2,122,173	663,928
Amounts owed to participating interest	1,240,997	552,643
Corporation tax	116,587	115,505
Other taxes and social security costs	106,936	106,894
Directors' current accounts	120,554	132,339
Other creditors	174,166	247,200
Accruals and deferred income	54,161	13,181
	<u>5,816,750</u>	<u>3,442,862</u>

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2001 £	2000 £
Mortgage	1,908,003	2,013,003
Discounted securities	8,624,224	7,892,430
	<u>10,532,227</u>	<u>9,905,433</u>

**BOLDHURST PROPERTIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2001****17. BORROWINGS**

	2001 £	2000 £
<u>The company's borrowings are repayable as follows:</u>		
In one year, or less or on demand	1,881,176	1,611,172
Between two and five years	10,532,227	9,905,433
	<u>12,413,403</u>	<u>11,516,605</u>

Details of security:

The bank loan, overdraft and mortgage are secured on the specific properties acquired and by a memorandum of deposit over stocks and shares dated 23/11/1999.

**18. SHARE CAPITAL**

	2001 £	2000 £
<u>Authorised</u>		
<b>Equity interests:</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<u>Allotted, called up and fully paid</u>		
<b>Equity interests:</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**19. PROFIT AND LOSS ACCOUNT**

	2001 £	2000 £
Retained profits at 1 January 2001	2,424,696	3,298,316
Profit for the financial period	18,167	(873,620)
	<u>2,442,863</u>	<u>2,424,696</u>
Retained profits at 30 September 2001		

**20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2001 £	2000 £
Profit for the financial period	18,167	243,017
Dividends	-	(1,116,637)
	<u>18,167</u>	<u>(873,620)</u>
Shareholders' funds at 1 January 2001	2,424,796	3,298,416
	<u>2,442,963</u>	<u>2,424,796</u>
Shareholders' funds at 30 September 2001		
Represented by:-		
Equity interests	<u>2,442,963</u>	<u>2,424,796</u>
	<u>2,442,963</u>	<u>2,424,796</u>

## **BOLDHURST PROPERTIES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2001**

#### **21. REVENUE COMMITMENTS**

On 27 October 1999, the company issued 14 Relevant Discounted Security 2004 for a nominal amount of £907,628. The subscription price for each security amounted to £500,000. The redemption date of the securities is 25 December 2004.

#### **22. CONTINGENT LIABILITIES**

The company has given the following bank guarantees for subsidiary undertakings :

Evercoat Limited	£486,000
Dreamlodge Limited	Unlimited
Hamstead Holdings Limited	£600,000

#### **23. RELATED PARTY DISCLOSURES**

As permitted by Section 3(c) of Financial Reporting Standard 8, the Company has not presented details of inter-group related transactions.

#### **24. ULTIMATE PARENT COMPANY**

The ultimate parent company is Kingscastle Limited, a company incorporated in Great Britain. Copies of the group financial statements of Kingscastle Limited are available from the secretary, Hamstead Park, Hamstead Marshall, Newbury RG20 0HE.