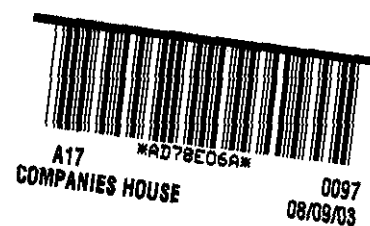


Uttoxeter Estates Limited

Report and Financial Statements

30 November 2002

Registered Number 02725709



Uttoxeter Estates Limited

DIRECTORS' REPORT

The directors have pleasure in presenting their report and the audited financial statements for the year ended 30 November 2002.

PRINCIPAL ACTIVITY

The principal activity of the company during the period was that of property developer.

BUSINESS REVIEW

The directors consider that the results and future prospects are satisfactory. No changes are envisaged.

DIVIDENDS

A dividend of £210,526 was paid during the year (2001 - £Nil). No further dividend is recommended (2001 - £Nil).

DIRECTORS

The following served as directors of the company during the year:

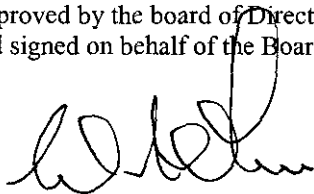
Sir Stanley Clarke
C C A Glossop
Cllr F P Edginton
Cllr P J Beresford
W A Oliver

None of the directors had any interests in the shares of the company or fellow subsidiaries. The relevant interests of Sir Stanley Clarke Mr C C A Glossop and Mr W A Oliver in the shares of the ultimate parent company are disclosed in the directors' report of that company. Cllr F P Edginton and Cllr P J Beresford had no interests in the ultimate parent company.

AUDITORS

Ernst & Young LLP have expressed their willingness to remain in office and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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



W A Oliver
Secretary

Dated

12/8/03

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; 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UTTOXETER ESTATES LIMITED

We have audited the company's financial statements for the year ended 30 November 2002 which comprise the Profit and Loss Account, Balance Sheet, Reconciliation of Movement in Shareholders Funds, Cash Flow Statement and the related notes 1 to 11. These financial statements have been prepared on the basis of 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 auditors' 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 a body, for 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 financial statements in accordance with applicable United Kingdom law and 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 November 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Registered Auditor
Birmingham

Dated

Ernst & Young LLP

13 August 2003

Uttoxeter Estates Limited

PROFIT AND LOSS ACCOUNT for the year ended 30 November 2002

	<i>Notes</i>	<i>2002</i> £	<i>2001</i> £
TURNOVER	1	340	232,500
Cost of sales		-	(170,325)
Gross profit		<u>340</u>	<u>62,175</u>
Administrative expenses		(71)	(574)
OPERATING PROFIT	3	<u>269</u>	<u>61,601</u>
Interest receivable	4	<u>12,965</u>	<u>32,687</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		13,234	94,288
Tax on profit on ordinary activities	5	(4,052)	(24,425)
PROFIT FOR THE FINANCIAL YEAR		<u>9,182</u>	<u>69,863</u>
Dividends		(210,526)	-
Transferred (from)/to reserves		(201,344)	69,863
Profit and loss account brought forward		<u>377,252</u>	<u>307,389</u>
PROFIT AND LOSS ACCOUNT CARRIED FORWARD		<u><u>175,908</u></u>	<u><u>377,252</u></u>

All activities derive from continuing operations.

There are no recognised gains and losses other than the loss for the current or preceding financial year. Accordingly, no statement of total recognised gains and losses is given.


Uttoxeter Estates Limited

BALANCE SHEET at 30 November 2002

	Notes	2002 £	2001 £
CURRENT ASSETS			
Stocks	6	249,984	182,809
Debtors	7	139,427	526,651
Cash at bank		35	415
		<u>389,446</u>	<u>709,875</u>
CREDITORS: amounts falling due within one year	8	(213,438)	(332,523)
NET ASSETS		<u>176,008</u>	<u>377,352</u>
CAPITAL AND RESERVES			
Called up share capital	9	100	100
Profit and loss account		175,908	377,252
EQUITY SHAREHOLDERS' FUNDS		<u>176,008</u>	<u>377,352</u>

These financial statements were approved by the Board of Directors on

Signed on behalf of the Board of Directors.



W A Oliver

Director

12/8/03



C C A Glossop

Director

12 August 2003

Uttoxeter Estates Limited

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS for the year ended 30 November 2002

	<i>Notes</i>	<i>2002</i> £	<i>2001</i> £
Profit for the financial year		9,182	69,863
Dividends		(210,526)	-
Opening shareholders' funds		377,352	307,489
CLOSING SHAREHOLDERS' FUNDS		<u>176,008</u>	<u>377,352</u>

Uttoxeter Estates Limited

CASH FLOW STATEMENT

for the year ended 30 November 2002

	<i>Notes</i>	<i>2002</i> £	<i>2001</i> £
Cash flow from operating activities	10	200,960	(32,153)
Returns on investments and servicing of finance	10	12,965	32,687
Taxation		(3,779)	(6,397)
Equity dividends paid		(210,526)	
Decrease in cash in the year		<u>(380)</u>	<u>(5,863)</u>

	<i>Notes</i>	<i>2002</i> £	<i>2001</i> £
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
Decrease in cash in the year	10	(380)	(5,863)
Net funds at start of year		415	6,278
NET FUNDS AT END OF YEAR	10	<u>35</u>	<u>415</u>

NOTES TO THE ACCOUNTS

at 30 November 2002

1. ACCOUNTING POLICIES

Basis of preparation and change in accounting policy

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below. The financial statements are prepared under the historical cost convention. They are prepared on a going concern basis as the parent company has agreed to provide financial assistance for the foreseeable future.

In preparing the financial statements for the current year, the company has adopted FRS 18 'Accounting Policies' and FRS 19 'Deferred Tax'. The adoption of FRS 19 has resulted in a change of accounting policy for deferred tax. Deferred tax is provided on a full provision basis in accordance with the accounting policy described below. The change in accounting policy has not resulted in any prior year adjustment for the company.

Turnover

Turnover represents sales of development properties in the UK and other related income. Profit on the sale of development properties is recognised on sale.

Stocks

Stock and work-in-progress is stated at the lower of cost and net realisable value. Cost includes materials labour, overheads, and an appropriate amount of interest where applicable and is after deduction of amounts invoiced on account.

Deferred tax

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date, which will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions :

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold or that the taxable gain will be sheltered by capital losses.

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

- (a) None of the directors received any remuneration from the company during the year (2001 – £Nil).
- (b) The company has no employees and is managed by its parent company, St Modwen Properties PLC.

Uttoxeter Estates Limited

NOTES TO THE ACCOUNTS at 30 November 2002

3. OPERATING PROFIT

	2002	2001
	£	£
Operating profit is after charging:		
Auditors' remuneration – audit services	-	500

4. INTEREST RECEIVABLE

	2002	2001
	£	£
Interest receivable from other group companies	12,837	32,687
Other interest receivable	128	-
	<u>12,965</u>	<u>32,687</u>

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002	2001
	£	£
(a) Analysis of Charge in period		
UK Corporation tax		
UK Corporation tax on profits of the period	3,000	2,727
Group relief receivable	970	24,196
Adjustments in respect of previous periods	82	(2,498)
Total current tax (note b)	<u>4,052</u>	<u>24,425</u>

(b) Factors affecting the tax charge for the period

The tax assessed on the profit on ordinary activities for the period is lower than the standard rate of corporation tax in the UK. The differences are explained below

	2002	2001
	£	£
Profit on ordinary activities before tax	13,234	94,288
Profit on ordinary activities multiplied by the standard rate		
Of corporation tax in the UK of 30%	3,970	28,286
Effect of:		
Adjustments in respect of previous periods	82	(2,498)
Other	-	(1,363)
Current tax charge (note a)	<u>4,052</u>	<u>24,425</u>

6. STOCKS

	2002	2001
	£	£
Land for development	<u>249,984</u>	<u>182,809</u>

Uttoxeter Estates Limited

NOTES TO THE ACCOUNTS at 30 November 2002

7. DEBTORS

	2002	2001
	£	£
Trade debtors	22	22
Amounts due from group companies	139,074	488,900
Other debtors	331	37,729
	<u>139,427</u>	<u>526,651</u>

8. CREDITORS: amounts falling due within one year

	2002	2001
	£	£
Trade creditors	4,139	88,019
Corporation tax payable	7,151	6,878
Accruals	202,148	205,137
Amounts owed to parent company	-	32,489
	<u>213,438</u>	<u>332,523</u>

9. CALLED UP SHARE CAPITAL

	2002	2001
	£	£
Authorised, allotted and fully paid		
81 'A' Ordinary shares of £1 each	81	81
19 'B' Ordinary shares of £1 each	19	19
	<u>100</u>	<u>100</u>

The A and B shares rank pari passu in all respects except voting. The B shares are entitled to 19% of all votes, but are entitled to 26% of all votes under the following circumstances:

- Altering the Memorandum or Articles of Association
- Altering the rights attaching to any shares in the capital of the company
- Any contract or arrangement or payment (other than a payment of a dividend or distribution or a payment under the Articles) with or to any holder of any A shares or any person or company connected with any A shareholder
- Increasing or reducing the capital of the company, authorising the purchase by the company of its own shares, the issue of any shares or the grant of any option or other right to subscribe for any security convertible into shares of the company or entering into of any agreement for the same.
- The appointment or removal of any B Director

Uttoxeter Estates Limited

NOTES TO THE ACCOUNTS at 30 November 2002

10. NOTES TO CASH FLOW STATEMENT

(I) RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW FROM ORDINARY ACTIVITIES

	2002 £	2001 £
CASH FLOWS		
Operating profit	269	61,601
Increase in stocks	(67,175)	(113,710)
Decrease/(increase) in debtors	387,224	(15,243)
(Decrease)/increase in creditors	(119,358)	35,199
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	<u>200,960</u>	<u>(32,153)</u>

(II) ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2002 £	2001 £
Net cash flow for returns on investments and servicing of finance		
Interest received	<u>12,965</u>	<u>32,687</u>

(III) ANALYSIS OF NET FUNDS

	At 30 November 2001	Cash flow	At 30 November 2002
Cash at hand and at bank	415	(380)	35

11. ULTIMATE PARENT COMPANY AND GROUP TRANSACTIONS

The ultimate parent company is St Modwen Properties PLC, a company registered in England and Wales. Copies of the group report and accounts of St Modwen Properties PLC are available from its Registered Office at Lyndon House, 58/62 Hagley Road, Edgbaston, Birmingham B16 9PE.

There were no transactions with other companies in the group, other than group financing from St Modwen Properties PLC. All cash transactions are through utilisation of this financing function and consequently readers are referred to the cash flow statement on page 7 for the quantum of transactions involved.