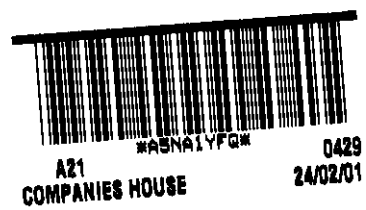


Company Registration Number: 2899070

**BECKWITH DEVELOPMENT CAPITAL LIMITED**

**Directors' Report and Accounts**  
for the year ended  
30 June 2000



# **BECKWITH DEVELOPMENT CAPITAL LIMITED**

## **DIRECTORS' REPORT**

The directors have pleasure in submitting their report and the audited accounts for the year ended 30 June 2000.

### **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:

- a) Select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed; and
- d) prepare 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.

### **Review of the Business and Future Developments**

The principal activity of the Company is that of an investment holding company. During the period, the Company held investments in TJ Hughes PLC and Ramar Technology Limited. On 31 August 2000 the Company sold its investment in Ramar Technology Limited. The Company received consideration of £360,000 and 144,062 shares in Advanced Technology (UK) Plc, the acquirer of Ramar Technology Limited.

In the opinion of the directors the financial position of the Company at the Balance Sheet date was satisfactory.

### **Results and Dividend**

The results for the year are detailed on page 4. The Company achieved a profit on ordinary activities before taxation of £39,843 (1999 - £430,167).

The directors do not recommend payment of a dividend for the year (1999 - £2,770,000). The retained loss for the year is £35,631 (1999: loss £2,456,256) which has been transferred to reserves. £237,403 relating to revaluations realised upon sale of investments was also released to the profit and loss reserve, giving a retained profit carried forward of £1,500,128 (1999: £1,298,356).

## BECKWITH DEVELOPMENT CAPITAL LIMITED

### DIRECTORS' REPORT (continued)

#### Directors and their interests

The directors holding office during the year were as follows:

J L Beckwith  
S A Holder

S A Holder is the Company Secretary.

None of the directors have any interests in the share capital of the Company other than by virtue of their interests in its holding company, Pacific Investments PLC, which are disclosed in the accounts of that company.

#### Auditors

The auditors, Moore Stephens, have expressed their willingness to continue in office. A resolution for their reappointment and to authorise the directors to fix their remuneration will be proposed at the next Annual General Meeting.

By Order of the Board



S A Holder

30 November 2002

124 Sloane Street  
London  
SW1X 9BW

**AUDITOR'S REPORT TO THE SHAREHOLDERS**  
**OF**  
**BECKWITH DEVELOPMENT CAPITAL LIMITED**

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention as modified by the revaluation of listed investments to market value in accordance with 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 financial statements. 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**

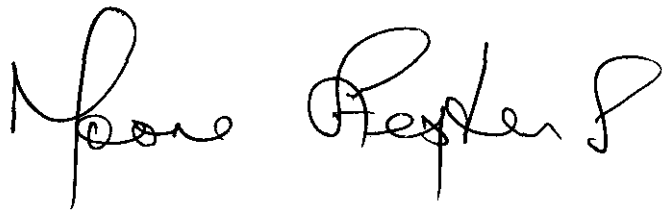
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 30 June 2000 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Moore Stephens  
Chartered Accountants  
and Registered Auditor  
St. Paul's House  
Warwick Lane  
London  
EC4P 4BN



30 November 2000

# BECKWITH DEVELOPMENT CAPITAL LIMITED

## Profit and Loss Account for the year ended 30 June 2000

	Notes	2000 £	1999 £
Administrative expenses	2	(4,808)	(3,184)
Operating loss		<u>(4,808)</u>	<u>(3,184)</u>
Investment income	4	9,000	4,900
Provision for warranties on sale of unlisted investment	10	-	177,518
Profit on sale of listed investment		20,300	76,334
Interest receivable		15,352	174,599
Profit on ordinary activities before taxation		<u>39,844</u>	<u>430,167</u>
Taxation	5	(75,475)	(116,423)
(Loss)/profit on ordinary activities after taxation		<u>(35,631)</u>	<u>313,744</u>
Dividends	6	-	(2,770,000)
Retained loss for the period		<u><u>(35,631)</u></u>	<u><u>(2,456,256)</u></u>

An analysis of reserves is given in Note 12.

### Note of Historical Profits and Losses

	2000 £	1999 £
Reported profit on ordinary activities before taxation	39,844	430,167
Realisation of investment revaluation gains of previous years	237,403	134,105
Historical cost profit on ordinary activities before taxation	<u>277,247</u>	<u>564,272</u>
Historical cost profit/(loss) for the year retained after taxation and dividends	<u>201,773</u>	<u>(2,322,151)</u>

The operating loss derives wholly from continuing operations.

### Statement of Total Recognised Gains and Losses for the year ended 30 June 2000

	2000 £	1999 £
Loss for the year	(35,631)	(2,456,256)
Revaluation of listed investments	53,500	296,001
Total recognised gains/(losses) in the year	<u>17,869</u>	<u>(2,160,255)</u>

The notes on pages 6 to 9 form an integral part of these accounts.

# BECKWITH DEVELOPMENT CAPITAL LIMITED

## Balance Sheet

as at 30 June 2000

	Notes	2000 £	1999 £
<b>FIXED ASSETS</b>			
Investments	7	578,326	842,826
<b>CURRENT ASSETS</b>			
Debtors	8	1,535,784	1,560,072
Cash at bank and in hand		466,903	109,960
		<u>2,002,687</u>	<u>1,670,032</u>
<b>CREDITORS</b> amounts falling due within one year	9	(789,980)	(739,694)
<b>NET CURRENT ASSETS</b>		<u>1,212,707</u>	<u>930,338</u>
<b>NET ASSETS</b>		<u>1,791,033</u>	<u>1,773,164</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	1	1
Revaluation reserve	12	290,904	474,807
Profit and loss account	12	1,500,128	1,298,356
<b>EQUITY SHAREHOLDERS' FUNDS</b>	13	<u>1,791,033</u>	<u>1,773,164</u>

The accounts were approved by the  
Board of Directors on  
and signed on their behalf by

30 November 2000



SA Holder

The notes on pages 6 to 9 form an integral part of these accounts.

# BECKWITH DEVELOPMENT CAPITAL LIMITED

## Notes to the Accounts

for the year ended 30 June 2000

### 1. Accounting Policies

Basis of accounting - The accounts have been prepared under the historical cost convention as modified by the revaluation of listed investments to market value and in accordance with applicable accounting standards.

Investments - Fixed asset investments are included in the balance sheet at cost in the case of unlisted investments and at market value in the case of listed investments.

Cash Flow Statement - The Company is exempt from the requirement to publish a cash flow statement as it is a wholly owned subsidiary undertaking of a UK company publishing a group cash flow statement.

### 2. Operating loss

Operating loss is stated after charging:

	2000 £	1999 £
Audit fees	2,163	2,131
Other non audit fees	490	904

### 3. Staff costs

No staff expenses were incurred during the year.

The average number of employees during the year, including directors, was 2 (1999 - 2).

### 4. Investment Income

Investment income represents dividends received from the Company's investments listed on the London Stock Exchange.

### 5. Taxation

	2000 £	1999 £
U.K. corporation tax	66,456	115,443
Underprovision in previous year	8,119	-
Tax credit on franked investment income	900	980
	<u>75,475</u>	<u>116,423</u>

### 6. Dividends

	2000 £	1999 £
Dividends paid	-	2,770,000
	<u>-</u>	<u>2,770,000</u>

# BECKWITH DEVELOPMENT CAPITAL LIMITED

## Notes to the Accounts

for the year ended 30 June 2000 (continued)

### 7. Investments

	Unlisted Shares £	Listed Shares £	Total £
Cost at 1 July 1999	206,825	161,194	368,019
Disposals	-	(80,597)	(80,597)
Cost at 30 June 2000	<u>206,825</u>	<u>80,597</u>	<u>287,422</u>
Revaluation brought forward 1 July 1999	-	474,807	474,807
Revaluation made in the year	-	53,500	53,500
Disposals	-	(237,403)	(237,403)
Revaluation at 30 June 2000	<u>-</u>	<u>290,904</u>	<u>290,904</u>
Net Book Value at 30 June 2000	<u>206,825</u>	<u>371,501</u>	<u>578,326</u>
Net Book Value at 30 June 1999	<u>206,825</u>	<u>636,001</u>	<u>842,826</u>

#### 7.1 Unlisted investments

During the year, the Company held an interest in Ramar Technology Limited, a company registered in England and Wales. The investment was sold post year end for £360,000. The Company also received 144,062 shares in Advanced Technology (UK) Plc, the acquirer of Ramar Technology Limited.

Dividends from investments are accounted for when received.

#### 7.2 Listed investments

Listed investments of the Company which are listed on the London Stock Exchange have been revalued to market value at 30 June 2000 as shown above.

### 8. Debtors

	2000 £	1999 £
Amount due from parent company	1,529,949	1,529,578
Amount due from group companies	5,834	22,004
Corporation tax	-	8,489
Other debtors	1	1
	<u>1,535,784</u>	<u>1,560,072</u>



## BECKWITH DEVELOPMENT CAPITAL LIMITED

### Notes to the Accounts

for the year ended 30 June 2000 (continued)

9. **Creditors:** (amounts falling due within one year)

	2000 £	1999 £
Amounts due to other group undertakings	741,029	736,744
Other creditors	46,001	-
Accruals and deferred income	2,950	2,950
	<u>789,980</u>	<u>739,694</u>

10. **Provision for Liabilities and Charges**

The provision for liabilities and charges represented the potential liability of the Company in respect of warranties provided on the sale of Riverside Plc. No claims were made in respect of the the warranties provided within the period allowed and therefore the provision was released in full in June 1999.

11. **Called up Share Capital**

As at 30 June 2000 and 1999 the authorised share capital of the Company comprised 100 ordinary shares of £1 each, of which one share had been issued as fully paid.

12. **Reserves**

The Company's reserves are analysed as follows:

	Revaluation reserve £	Profit and Loss Account £
Balance as at 1 July 1999	474,807	1,298,356
Retained loss for the year	-	(35,631)
Revaluation of listed investments	53,500	-
Transfers on disposal of listed investments	(237,403)	237,403
Balance as at 30 June 2000	<u>290,904</u>	<u>1,500,128</u>

## BECKWITH DEVELOPMENT CAPITAL LIMITED

### Notes to the Accounts

for the year ended 30 June 2000 (continued)

#### 13. Reconciliation of Movement in Shareholders' Funds

	£
Profit for the financial period	(35,631)
Revaluation of listed investments	53,500
Net addition to shareholders' funds	<u>17,869</u>
Shareholders' funds as at 30 June 1999	1,773,164
Shareholders' funds as at 30 June 2000	<u><u>1,791,033</u></u>

#### 14. Holding Company

The Company's holding company is River & Mercantile PLC a company registered in England and Wales. The Company's ultimate holding company is Pacific Investments PLC, a company registered in England and Wales, which is the smallest and largest group of which the Company is a member and for which group accounts are prepared. The consolidated accounts of that company can be obtained from the Company Secretary at 124 Sloane Street, London, SW1X 9BW.

In the opinion of the directors the ultimate controlling party is JL Beckwith, a director and majority shareholder of the ultimate parent company.

#### 15. Related Parties

The company has taken advantage of the exemption under FRS 8 not to disclose any transactions with other group companies on the basis that 100 per cent of the voting rights are controlled within the group and consolidated financial statements are publicly available.

#### 16. Post balance sheet event

On 31 August 2000, the Company sold its investment in Ramar Technology Limited for £360,000. The Company also received 144,062 shares in Advanced Technology (UK) Plc, the acquirer of Ramar Technology Limited.