



RAVEN BRIGHTON LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2003



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RAVEN BRIGHTON LIMITED

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RAVEN BRIGHTON LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2003

The directors present their report and financial statements for the year ended 30 April 2003.

Principal activities and review of the business

The principal activity of the company is that of property development.

Results and dividends

The results for the year are set out on page 3.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 1 May 2002:

Raven Close Nominees Limited
Raven Management Services Limited

Directors' interests

Neither of the directors had any interest in the shares of the company during the year.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the Annual General Meeting.

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.

By order of the board



For and on behalf of Raven Close Nominees Limited

B.S. Sandhu

Director

6 November 2003

RAVEN BRIGHTON LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF RAVEN BRIGHTON LIMITED

We have audited the financial statements of Raven Brighton Limited on pages 3 to 8 for the year ended 30 April 2003. These financial statements have been prepared under the historical cost convention and 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 auditor's 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 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 the company's affairs as at 30 April 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Gerald Edelman

Chartered Accountants
Registered Auditor

6 November 2003

25 Harley Street
London
W1G 9BR

RAVEN BRIGHTON LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2003

	Notes	2003 £	2002 £
Administrative expenses		(2,371)	(1,000)
Operating loss	2	(2,371)	(1,000)
Other interest receivable and similar income		26	-
Interest payable and similar charges	3	(89,160)	-
Loss on ordinary activities before taxation		(91,505)	(1,000)
Tax on loss on ordinary activities	4	28,056	-
Loss on ordinary activities after taxation	11	(63,449)	(1,000)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

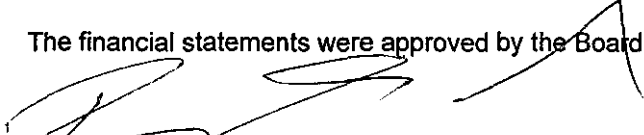
There are no recognised gains and losses other than those passing through the profit and loss account.

RAVEN BRIGHTON LIMITED

BALANCE SHEET AS AT 30 APRIL 2003

	Notes	2003 £	£	2002 £	£
Current assets					
Stocks	5	1,895,052		666,023	
Debtors	6	23,903		22,975	
Cash at bank and in hand	7	20,000		1,678	
		<u>1,938,955</u>		<u>690,676</u>	
Creditors: amounts falling due within one year	8	<u>(1,811,418)</u>		<u>(214,866)</u>	
Total assets less current liabilities			127,537		475,810
Creditors: amounts falling due after more than one year	9		-		(284,824)
			<u>127,537</u>		<u>190,986</u>
Capital and reserves					
Called up share capital	10		184,346		184,346
Profit and loss account	11		(56,809)		6,640
Shareholders' funds - equity interests	12		<u>127,537</u>		<u>190,986</u>

The financial statements were approved by the Board on 6 November 2003


For and on behalf of Raven Close Nominees Limited
B.S. Sandhu
Director

RAVEN BRIGHTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is defined as estimated selling price less further costs of development and estimated selling expenses.

2 Operating loss

2003	2002
£	£

Operating loss is stated after charging:

Auditors' remuneration

2,000	1,000
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3 Interest payable

2003	2002
£	£

On amounts payable to group companies

15,149	-
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On bank loans and overdrafts

74,011	-
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89,160	-
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RAVEN BRIGHTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2003

4	Taxation	2003	2002
		£	£
	Domestic current year tax		
	Adjustment for prior years	(604)	-
	Receipt in respect of group relief	(27,452)	-
		<u></u>	<u></u>
	Current tax charge	(28,056)	-
		<u></u>	<u></u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(91,505)	(1,000)
		<u></u>	<u></u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2002 : 0.00%)	-	-
		<u></u>	<u></u>
	Effects of:		
	Group relief subvention receipt	(27,452)	-
	Adjustments to previous periods	(604)	-
		<u></u>	<u></u>
		(28,056)	-
		<u></u>	<u></u>
	Current tax charge	(28,056)	-
		<u></u>	<u></u>
5	Stocks	2003	2002
		£	£
	Development property	1,895,052	666,023
		<u></u>	<u></u>
6	Debtors	2003	2002
		£	£
	Other debtors	23,903	22,975
		<u></u>	<u></u>

7 Cash at bank and in hand

The balance of £20,000 relates to a bank deposit account held by solicitors in respect of certain development obligations.

RAVEN BRIGHTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2003

8	Creditors: amounts falling due within one year	2003 £	2002 £
	Bank loans and overdrafts	1,407,536	-
	Trade creditors	12,157	79,372
	Amounts owed to parent and fellow subsidiary undertakings	320,508	97,492
	Corporation tax	-	304
	Other creditors	32,832	-
	Accruals and deferred income	38,385	37,698
		<u>1,811,418</u>	<u>214,866</u>

The loan is secured by a first legal charge over the company's development property and by a floating charge over the assets of the company.

9	Creditors: amounts falling due after more than one year	2003 £	2002 £
	Bank loans	-	284,824
		<u>-</u>	<u>284,824</u>
	Analysis of loans		
	Wholly repayable within five years	1,406,637	284,824
		<u>1,406,637</u>	<u>284,824</u>
	Included in current liabilities	(1,406,637)	-
		<u>-</u>	<u>284,824</u>
	Loan maturity analysis		
	In more than one year but not more than two years	-	284,824
		<u>-</u>	<u>284,824</u>

10	Share capital	2003 £	2002 £
	Authorised		
	184,346 Ordinary shares of £ 1 each	184,346	184,346
		<u>184,346</u>	<u>184,346</u>
	Allotted, called up and fully paid		
	184,346 Ordinary shares of £ 1 each	184,346	184,346
		<u>184,346</u>	<u>184,346</u>

RAVEN BRIGHTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2003

11 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 May 2002	6,640
Retained loss for the year	(63,449)
Balance at 30 April 2003	(56,809)

12 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Loss for the financial year	(63,449)	(1,000)
Opening shareholders' funds	190,986	191,986
Closing shareholders' funds	127,537	190,986

13 Employees

Number of employees

There were no employees during the year apart from the directors.

14 Control

During the year the company became a wholly-owned subsidiary of Raven Property Holdings Plc, a company incorporated in England.

Throughout the year the company and its holding company were controlled by A.J.G. Bilton.

15 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.