

Company Registration No. 2911040 (England and Wales)



RAVEN BRIGHTON LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2004



GERALD EDELMAN
CHARTERED ACCOUNTANTS

25 HARLEY STREET · LONDON W1G 9BR

T +44 (0)20 7299 1400 · F +44 (0)20 7299 1401

E gemail@geraldedelman.com

www.geraldedelman.com

RAVEN BRIGHTON LIMITED

CONTENTS

	Page
Directors' report	1
Independent auditors' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 8

RAVEN BRIGHTON LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2004

The directors present their report and financial statements for the year ended 30 April 2004.

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 2003:

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

13 October 2004

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 2004. 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 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Gerald Edelman

13 October 2004

Chartered Accountants
Registered Auditor

25 Harley Street
London
W1G 9BR

RAVEN BRIGHTON LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2004

	Notes	2004 £	2003 £
Turnover	2	1,938,997	-
Cost of sales		(1,603,363)	-
Gross profit		<u>335,634</u>	<u>-</u>
Administrative expenses		(1,791)	(2,371)
Operating profit/(loss)	3	<u>333,843</u>	<u>(2,371)</u>
Other interest receivable and similar income		12	26
Interest payable and similar charges	5	(78,378)	(89,160)
Profit/(loss) on ordinary activities before taxation		<u>255,477</u>	<u>(91,505)</u>
Tax on profit/(loss) on ordinary activities	6	(76,643)	28,056
Profit/(loss) on ordinary activities after taxation	12	<u><u>178,834</u></u>	<u><u>(63,449)</u></u>

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

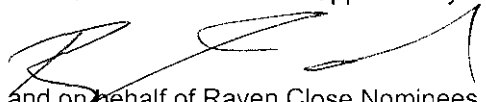
There are no recognised gains and losses other than those passing through the profit and loss account.

RAVEN BRIGHTON LIMITED

BALANCE SHEET AS AT 30 APRIL 2004

	Notes	2004 £	£	2003 £	£
Current assets					
Stocks	7	480,000		1,895,052	
Debtors	8	(3,258)		23,903	
Cash at bank and in hand	9	25,674		20,000	
		<u>502,416</u>		<u>1,938,955</u>	
Creditors: amounts falling due within one year	10	<u>(196,045)</u>		<u>(1,811,418)</u>	
Total assets less current liabilities			306,371		127,537
			<u>306,371</u>		<u>127,537</u>
Capital and reserves					
Called up share capital	11		184,346		184,346
Profit and loss account	12		122,025		(56,809)
Shareholders' funds - equity interests	13		<u>306,371</u>		<u>127,537</u>

The financial statements were approved by the Board on 13 October 2004


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 2004

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 Turnover

1.4 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 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3	Operating profit/(loss)	2004 £	2003 £
	Operating profit/(loss) is stated after charging:		
	Auditors' remuneration	1,750	2,000

4	Investment income	2004 £	2003 £
	Bank interest	12	26

5	Interest payable	2004 £	2003 £
	On amounts payable to group companies	39,511	15,149
	On bank loans and overdrafts	38,867	74,011
		78,378	89,160

RAVEN BRIGHTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2004

6	Taxation	2004	2003
		£	£
	Domestic current year tax		
	U.K. corporation tax	71,931	-
	Adjustment for prior years	-	(604)
	Payment in respect of group relief	4,712	-
	Receipt in respect of group relief	-	(27,452)
		<hr/>	<hr/>
	Current tax charge	76,643	(28,056)
		<hr/>	<hr/>
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	255,477	(91,505)
		<hr/>	<hr/>
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2003: 0.00%)	76,643	-
		<hr/>	<hr/>
	Effects of:		
	Group relief subvention receipt	-	(27,452)
	Adjustments to previous periods	-	(604)
		<hr/>	<hr/>
		-	(28,056)
		<hr/>	<hr/>
	Current tax charge	76,643	(28,056)
		<hr/>	<hr/>
7	Stocks	2004	2003
		£	£
	Development property	480,000	1,895,052
		<hr/>	<hr/>
8	Debtors	2004	2003
		£	£
	Amounts owed by parent and fellow subsidiary undertakings	(4,713)	-
	Other debtors	1,455	23,903
		<hr/>	<hr/>
		(3,258)	23,903
		<hr/>	<hr/>
9	Cash at bank and in hand		
	Included in the balance of bank and cash is £20,000 which 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 2004

10 Creditors: amounts falling due within one year	2004 £	2003 £
Bank loans and overdrafts	-	1,407,536
Trade creditors	717	12,157
Amounts owed to parent and fellow subsidiary undertakings	103,463	320,508
Corporation tax	71,931	-
Other creditors	19,934	32,832
Accruals and deferred income	-	38,385
	<u>196,045</u>	<u>1,811,418</u>

11 Share capital	2004 £	2003 £
Authorised		
184,346 Ordinary shares of £1 each	<u>184,346</u>	<u>184,346</u>
Allotted, called up and fully paid		
184,346 Ordinary shares of £1 each	<u>184,346</u>	<u>184,346</u>

12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 May 2003	(56,809)
Retained profit for the year	<u>178,834</u>
Balance at 30 April 2004	<u>122,025</u>

13 Reconciliation of movements in shareholders' funds	2004 £	2003 £
Profit/(Loss) for the financial year	178,834	(63,449)
Opening shareholders' funds	<u>127,537</u>	<u>190,986</u>
Closing shareholders' funds	<u>306,371</u>	<u>127,537</u>

14 Employees

Number of employees

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

RAVEN BRIGHTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2004

15 Control

The company is 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.

16 Related party transactions

(a) During the year the company paid fees of £nil (2003 - £20,000) to Raven Management Services Limited, a subsidiary of the Raven Property Group Plc, for management services.

(b) 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.