

Company Registration Number 2925642

WHITETREE GROUP LIMITED

A C C O U N T S

For the year ended 31 March 2005

**C L B Coopers
Chartered Accountants
MANCHESTER**



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COMPANIES HOUSE

A7Z5YB82

316
15/12/2005

WHITETREE GROUP LIMITED

Directors

**Sir Hugh Sykes
D F A Frith**

(died 25 June 2005)

Secretary

B W Evans

Auditors

**CLB Coopers
Century House
11 St Peter's Square
Manchester
M2 3DN**

Bankers

**Barclays Bank PLC
Commercial Street
Sheffield
S1 1NG**

Registered Office

**Bamford Hall
The Hollow
Bamford
Hope Valley
S33 0AU**

WHITETREE GROUP LIMITED

Report of the Directors

The Directors submit their report to the shareholders, together with the audited accounts, for the year ended 31 March 2005.

Principal Activity

The principal activity of the Company is the commercial rental and development of property.

Board of Directors

The Directors who served during the year were as follows and details of their interest in the share capital of the Company are shown below :

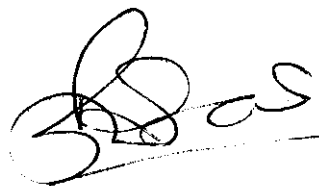
	2005	2004
Sir Hugh Sykes	177,504	177,504
D F A Frith (died 25 June 2005)	177,504	177,504

Auditors

CLB Coopers have indicated their agreement to continue in office and a resolution to re-appoint them as auditors to the Company will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board



B W EVANS
Secretary

17 October 2005

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 year. 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
- follow applicable accounting standards subject to any material departure disclosed and explained in the accounts.
- 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.

Independent Auditors' Report to the Shareholders of WHITETREE GROUP LIMITED

For the year ended 31 March 2005

We have audited the financial statements on pages 5 to 9.

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 Directors and Auditors

The director's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Director's Responsibilities on page 3.

It is our responsibility 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 other information contained only in the directors' report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

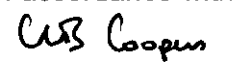
Basis of audit opinion

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 circumstances of the Company, 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 at 31st March 2005 and of the profit for the year then ended, and have been prepared in accordance with the provisions of the Companies Act 1985.


C L B Coopers

17 October 2005

**Chartered Accountants
Registered Auditors**

WHITETREE GROUP LIMITED**Profit and Loss Account
For the year ended 31 March 2005**

	Note	2005 £	2004 £
Turnover			
Rental income		75,500	77,312
Administrative expenses		(4,528)	(1,096)
Operating profit	1	70,972	76,216
Net interest receivable		42,941	48,534
Profit on ordinary activities before taxation		113,913	124,750
Taxation on ordinary activities	2	(27,987)	(23,948)
Profit on ordinary activities after taxation		85,926	100,802
Dividends paid and proposed		(100,000)	(105,000)
Loss for the year	9	(14,074)	(4,198)

All activities are continuing operations

**Statement of Total Recognised Gains and Losses
For the year ended 31 March 2004**

Profit for the financial year	85,926	100,802
Unrealised profit on revaluation of investment property		428,492
Total gains and losses recognised since the last annual report	85,926	529,294

WHITETREE GROUP LIMITED

Balance Sheet At 31 March 2005

	Note	2005 £	2004 £
Fixed assets			
Tangible assets	3	925,064	925,225
		925,064	925,225
Current assets			
Debtors	4	2	147,181
Cash at bank and building societies		1,080,880	927,374
		1,080,882	1,074,555
Creditors			
Due within one year	5	(81,972)	(61,732)
Net current assets		998,910	1,012,823
Total assets less current liabilities		1,923,974	1,938,048
Capital and reserves			
Called up share capital	6	88,752	88,752
Share premium account	7	266,250	266,250
Revaluation reserve	8	428,492	428,492
Profit and loss account	9	1,140,480	1,154,554
Equity Shareholders' funds		1,923,974	1,938,048

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on

17 October 2005



SIR HUGH SYKES Director

WHITETREE GROUP LIMITED

Statement of Accounting Policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover represents the rental income received from investment properties and is stated net of VAT.

Depreciation

Freehold investment properties are not depreciated.

Investment properties, as defined in Statement of Standard Accounting Practice No.19, are revalued annually. The aggregate surplus or deficit is transferred to the investment property revaluation reserve and any deficit exceeding the existing reserve is charged directly to the profit and loss account in the year.

The requirement of the Companies Act 1985 is to depreciate all properties but that requirement conflicts with the generally accepted principle set out in SSAP 19. The Directors consider that, as these properties are not held for consumption but for investment, to depreciate them would not give a true and fair view and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

Other fixed assets are written off in equal annual instalments over their estimated useful lives, the principal rates applied being :

Fixtures & fittings	10% - 25%
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Deferred taxation

Deferred taxation is provided on all timing differences to the extent that it is anticipated to be payable in the foreseeable future.

Rental income

Rental income is credited to the profit and loss account in the period in which it falls due.

Cashflow statement

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 1 and has not produced a cashflow statement on the grounds that it is a small company.

WHITETREE GROUP LIMITED

Notes on the Accounts

At 31 March 2005

	2005 £	2004 £
1 Operating profit		
Operating profit is stated after charging :		
Auditors' remuneration	3,000	3,000
Depreciation	161	359

2 Taxation

UK corporation tax at 30%	27,987	23,948
Prior year adjustment	-	-
	27,987	23,948

The amount of deferred tax unprovided on revalued assets amounts to approximately £94,000 at 31 March 2005 (2004 - £94,000).

3 Tangible fixed assets

	Freehold land & buildings £	Fixtures & fittings £	Total £
Cost or valuation :			
At 1 April 2004	925,000	2,438	927,438
Additions	-	-	-
At 31 March 2005	925,000	2,438	927,438
Depreciation :			
At 1 April 2004	-	2,213	2,213
Depreciation for the year	-	161	161
At 31 March 2005	-	2,374	2,374
Net book value :			
At 31 March 2005	925,000	64	925,064
At 31 March 2004	925,000	225	925,225

The directors have considered the valuation of the freehold land and buildings as at 31 March 2005 and consider that this is a reasonable estimate of the current market value

WHITETREE GROUP LIMITED**Notes on the Accounts**

(continued)

At 31 March 2005

	2005 £	2004 £
4 Debtors		
Corporation tax recoverable	-	125,000
Trade debtors	-	22,179
Other debtors	2	2
	<u>2</u>	<u>147,181</u>
5 Creditors		
Due within one year :		
Trade creditors	1,021	2,856
Corporation tax	27,987	23,948
Other taxation and social security	3,151	3,241
Accruals and deferred income	24,813	26,687
Proposed dividend	25,000	5,000
	<u>81,972</u>	<u>61,732</u>
6 Share capital		
Authorised, allotted, called up and fully paid		
177,504 'A' ordinary shares of 25p	44,376	44,376
177,504 'B' ordinary shares of 25p	44,376	44,376
	<u>88,752</u>	<u>88,752</u>
7 Share premium account		
At 1 April 2004 and 31 March 2005	<u>266,250</u>	<u>266,250</u>
8 Revaluation reserve		
At 1 April 2004 and 31 March 2005	<u>428,492</u>	<u>428,492</u>
9 Profit and loss account		
At 1 April 2004	1,154,554	1,158,752
Loss for the year retained	(14,074)	(4,198)
At 31 March 2005	<u>1,140,480</u>	<u>1,154,554</u>