

VINE DEVELOPMENTS LIMITED
FINANCIAL STATEMENTS

31 MARCH 2001

Company Registration Number 03077946



HARE WILSON & CO
Chartered Accountants & Registered Auditors
Redmead House, Uxbridge Road
Hillingdon Heath, Uxbridge
Middlesex, UB10 0LT

VINE DEVELOPMENTS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

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VINE DEVELOPMENTS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2001

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2001.

PRINCIPAL ACTIVITIES

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

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2001	At 1 April 2000
G. DYKE	961,999	949,999
R. WEBB	<u>1</u>	<u>1</u>

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

AUDITORS

A resolution to re-appoint Hare Wilson & Co as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

VINE DEVELOPMENTS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2001

SMALL COMPANY PROVISIONS

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

Registered office:
REDMEAD HOUSE
UXBRIDGE ROAD
HILLINGDON HEATH
MIDDLESEX
UB10 0LT

Signed by order of the directors



R. WEBB
Company Secretary

Approved by the directors on

VINE DEVELOPMENTS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 MARCH 2001

We have audited the financial statements on pages 4 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 6 .

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 1, the company's directors are responsible for the preparation of the 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 AUDIT OPINION

We conducted our audit in accordance with 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.

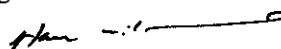
OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2001 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Redmead House, Uxbridge Road
Hillingdon Heath, Uxbridge
Middlesex, UB10 0LT

HARE WILSON & CO
Chartered Accountants
& Registered Auditors

25.07.2001



VINE DEVELOPMENTS LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 MARCH 2001**

	Note	2001 £	2000 £
TURNOVER		985,001	102,359
Cost of sales		<u>872,502</u>	<u>53,374</u>
GROSS PROFIT		112,499	48,985
Distribution Costs		-	33,913
Administrative expenses		110,950	61,207
Other operating income		<u>(62,459)</u>	<u>(59,509)</u>
OPERATING PROFIT	2	64,008	13,374
Interest receivable		51,386	2,110
Interest payable		<u>(90)</u>	<u>(68)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		115,304	15,416
Tax on profit on ordinary activities	3	-	<u>(3,278)</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR		115,304	12,138
Balance brought forward		<u>30,428</u>	<u>18,290</u>
Balance carried forward		<u>145,732</u>	<u>30,428</u>

The notes on pages 6 to 8 form part of these financial statements.

VINE DEVELOPMENTS LIMITED

BALANCE SHEET

31 MARCH 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Tangible assets	4	-	1,558
CURRENT ASSETS			
Stocks		3,432,482	1,916,880
Debtors	5	761,700	39,020
Cash at bank		65,638	146,458
		<u>4,259,820</u>	<u>2,102,358</u>
CREDITORS: Amounts falling due within one year	6	<u>(3,127,677)</u>	<u>(1,123,488)</u>
NET CURRENT ASSETS		<u>1,132,143</u>	<u>978,870</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,132,143</u>	<u>980,428</u>
CAPITAL AND RESERVES			
Called-up equity share capital	9	974,000	950,000
Share premium account	10	12,411	-
Profit and Loss Account		145,732	30,428
SHAREHOLDERS' FUNDS		<u>1,132,143</u>	<u>980,428</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 23rd July 2001, and are signed on their behalf by:



G. Dyke
Director

The notes on pages 6 to 8 form part of these financial statements.

VINE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer Equipment - 25% Straight Line Basis

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2001	2000
	£	£
Directors' emoluments	9,000	-
Staff pension contributions	1,000	-
Depreciation	1,558	1,558
Auditors' fees	<u>2,500</u>	<u>1,000</u>

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001	2000
	£	£
Corporation Tax based on the results for the year at 20% (2000 - 20%)	<u>-</u>	<u>3,278</u>

VINE DEVELOPMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2001

4. TANGIBLE FIXED ASSETS

	Computer Equipment £
COST	
At 1 April 2000 and 31 March 2001	<u>6,231</u>
DEPRECIATION	
At 1 April 2000	4,673
Charge for the year	<u>1,558</u>
At 31 March 2001	<u>6,231</u>
NET BOOK VALUE	
At 31 March 2001	-
At 31 March 2000	<u>1,558</u>

5. DEBTORS

	2001 £	2000 £
Trade debtors	-	3,160
VAT recoverable	11,594	20,467
Corporation tax recoverable	1,610	1,610
Amounts owed by associated company	503	9,590
Other debtors	700,000	200
ACT recoverable against future taxation	3,993	3,993
Prepayments and accrued income	<u>44,000</u>	-
	<u>761,700</u>	<u>39,020</u>

6. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
Amounts owed to Associated Company	-	975
Bank loans and overdrafts	2,830,310	694,102
Trade creditors	-	14,015
Other creditors including taxation:		
Corporation Tax	3,278	3,278
Other creditors	<u>249,856</u>	<u>405,953</u>
	253,134	409,231
Accruals and deferred income	<u>44,233</u>	5,165
	<u>3,127,677</u>	<u>1,123,488</u>

Bank loans are secured by a First Legal Mortgage over the Company's Freehold properties held as stock. The maximum term of the loans is for 5 years, and the maximum facility is for £7,500,000.

VINE DEVELOPMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2001

7. CONTINGENCIES

There were no contingent liabilities as at 31st March 2001.

8. RELATED PARTY TRANSACTIONS

- 1) The company was under the control of Mr G.Dyke throughout the current and previous year, by virtue of the fact that he owns 98.77% of the company's share capital.
- 2) The company received rent amounting to £49433 in the normal course of business from Dartmouth Golf and Country Club (DGCC), of which Mr.G.Dyke is a director
- 3) At the year end a balance of £503 was owed by DGCC to the company. (2000:£9590).
- 4) There are no other related party transactions apart from those reflected in the directors current accounts.

9. SHARE CAPITAL

Authorised share capital:

	2001 £	2000 £
2,000,000 Ordinary shares of £1.00 each	<u>2,000,000</u>	<u>2,000,000</u>

Allotted, called up and fully paid:

	2001 £	2000 £
Ordinary share capital brought forward	950,000	950,000
Issue of ordinary shares	<u>24,000</u>	<u>-</u>
	<u>974,000</u>	<u>950,000</u>

10. SHARE PREMIUM ACCOUNT

	2001 £	2000 £
Premium on shares issued in the year	<u>12,411</u>	<u>-</u>

11. POST BALANCE SHEET EVENTS

The company continues its development at Discovery Wharf, North Quay, Plymouth. The development consists of the erection of 61 apartments with on site facilities, at an estimated final cost of £9.1 million. The budgeted sales income has been estimated at £11.4 million, and completion is set for 2001.