



THE RAVEN PROPERTY GROUP PLC  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30TH APRIL 2002  
**COMPANY NO: 3364739**



**GERALD EDELMAN**  
CHARTERED ACCOUNTANTS

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THE RAVEN PROPERTY GROUP PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002

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# THE RAVEN PROPERTY GROUP PLC

## REPORT OF THE DIRECTORS

The directors submit their report and the financial statements for the year ended 30th April 2002.

### PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activities of the group during the year were property development and investment in property development and investment companies. The directors consider the results for the year to be satisfactory.

The directors will continue to look for profitable residential and commercial property opportunities.

### RESULTS AND STATE OF AFFAIRS

The financial statements on pages 4 to 20 set out the consolidated results for the year ended 30th April 2002 and reflect the state of the company's and the group's affairs as at that date.

### DIVIDENDS

The directors do not recommend the payment of a dividend for the year.

### CREDITOR PAYMENT POLICY

The group's operating companies are responsible for agreeing the terms and conditions under which business transactions with their suppliers are conducted. It is the group's policy that payments to suppliers are made in accordance with those terms provided that suppliers also comply with all relevant terms and conditions. At the year end date the group's trade creditors represented an average of approximately 20 days (2001 - 23 days) purchases.

### DIRECTORS AND THEIR INTERESTS

The members of the board during the year and their interests in the company's shares were as follows:-

	Interest at end of year <u>number of shares</u>	Interest at beginning of year <u>number of shares</u>
A.J.G. Bilton	248,002	248,002
B.S. Sandhu	124,002	124,002*

Mr. A.G. Mobberley is an alternate director for Messrs A.J.G. Bilton and B.S. Sandhu.

\* Includes 16,000 shares held by Hillside Management Services Limited, a company in which Mr B.S. Sandhu has a material interest.

### CLOSE COMPANY

The company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

THE RAVEN PROPERTY GROUP PLC

REPORT OF THE DIRECTORS  
(CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by United Kingdom company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the results for that year.

The directors confirm that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates have been used in the preparation of the financial statements and that applicable accounting standards have been followed. The financial statements have been prepared on the going concern basis.

The directors are also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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 preventing and detecting fraud and other irregularities.

AUDITORS

A resolution will be proposed at the forthcoming annual general meeting for the reappointment of Gerald Edelman, who have expressed their willingness to continue in office as auditors for the ensuing year.

BY ORDER OF THE BOARD

1<sup>st</sup> November 2002  
DATED.....

  
(B.S. SANDHU)  
DIRECTOR

THE RAVEN PROPERTY GROUP PLC

INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF THE RAVEN PROPERTY GROUP PLC

We have audited the financial statements of The Raven Property Group plc on pages 4 to 20 for the year ended 30th April 2002. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the statement of directors' responsibilities on page 2 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

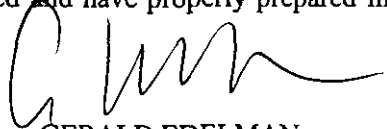
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director 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 and the group's affairs as at 30<sup>th</sup> April 2002 and of the profit of the group for the year then ended and have properly prepared in accordance with the Companies Act 1985.

25 Harley Street  
London W1G 9BR

  
GERALD EDELMAN  
REGISTERED AUDITOR AND  
CHARTERED ACCOUNTANTS

1<sup>st</sup> November 2002

THE RAVEN PROPERTY GROUP PLC

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH APRIL 2002

	<u>Note</u>	<u>2002</u> £	<u>2001</u> £
<u>Turnover</u>	2		
Group and share of joint venture undertakings		19,723,663	13,359,901
Less: Share of joint venture undertakings		(5,108,174)	(4,662,800)
		<hr/>	<hr/>
<u>Group turnover</u>		14,615,489	8,697,101
Cost of sales		(9,898,586)	(4,748,315)
		<hr/>	<hr/>
<u>Gross profit</u>		4,716,903	3,948,786
(Loss)/profit on sale of fixed assets		(43,071)	203,685
Administrative expenses	3	(2,806,297)	(2,603,986)
Share of operating profit in joint ventures		(91,563)	160,436
Net interest payable	7	(166,394)	(198,150)
		<hr/>	<hr/>
<u>Profit on ordinary activities before taxation</u>	4	1,609,578	1,510,771
Tax on profit on ordinary activities	8	(469,784)	(564,360)
		<hr/>	<hr/>
<u>Profit for the year after taxation</u>		1,139,794	946,411
Equity minority interest		-	100,085
		<hr/>	<hr/>
<u>Retained profit for the year</u>	9,21	1,139,794	1,046,496
		<hr/> <hr/>	<hr/> <hr/>

The results for the current and previous accounting year relate to the continuing operations of the group as further explained in note 1(c) to the financial statements.

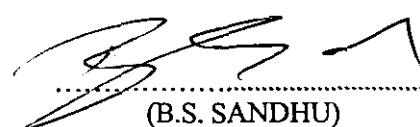
THE RAVEN PROPERTY GROUP PLC

CONSOLIDATED BALANCE SHEET AS AT 30TH APRIL 2002

	<u>Note</u>	<u>2002</u>	<u>2001</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible assets	10	11,161,635	5,417,946
Investment in joint ventures:	11		
Shares at cost		1,046	578
Share of gross assets		9,044,581	1,388,898
Share of gross liabilities		(8,917,883)	(1,391,978)
		<u>127,744</u>	<u>(2,504)</u>
		12,194,824	5,415,442
<u>CURRENT ASSETS</u>			
Stock	13	7,337,994	7,142,462
Investment	14	10	10
Debtors	15	2,891,586	2,548,961
Cash at bank and in hand		4,448,569	5,970,358
		<u>14,678,159</u>	<u>15,661,791</u>
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	16	(9,775,890)	(13,229,655)
<u>NET CURRENT ASSETS</u>		<u>4,902,269</u>	<u>2,432,136</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>16,191,650</u>	<u>7,847,578</u>
<u>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>	17	(6,157,047)	(1,265,000)
<u>NET ASSETS</u>		<u>10,034,603</u>	<u>6,582,578</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	18	186,002	186,002
Capital redemption reserve		30,000	30,000
Capital reserve	19	407,713	-
Merger reserve		195,053	195,053
Revaluation reserve	20	4,018,729	1,556,403
Profit and loss account	21	5,197,106	4,057,312
		<u>10,034,603</u>	<u>6,024,770</u>
Shareholders' funds		-	557,809
Minority interest			
		<u>10,034,603</u>	<u>6,582,578</u>

The financial statements on pages 4 to 20 were approved by the board of directors on 1<sup>st</sup> November 2002

.....DIRECTOR  
(A.J.G. BILTON)

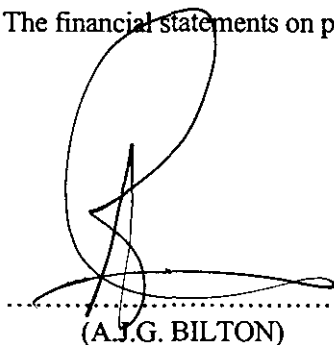
.....DIRECTOR  
(B.S. SANDHU)

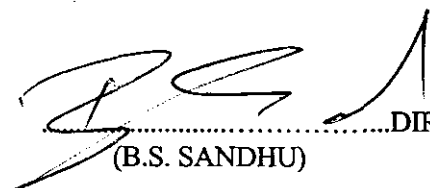
THE RAVEN PROPERTY GROUP PLC

PARENT COMPANY BALANCE SHEET AS AT 30TH APRIL 2002

	Note	£	2002 £	2001 £
<u>FIXED ASSETS</u>				
Investment in joint ventures	11	550		3
Investment in subsidiaries	12	361,284		216,280
			366,834	216,283
<u>CURRENT ASSETS</u>				
Investment	14	10		10
Debtors	15	6,498,737		4,381,669
		6,498,747		4,381,679
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	16	(975,656)		(1,587,484)
<u>NET CURRENT ASSETS</u>			5,523,091	2,794,195
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			5,889,925	3,010,478
<u>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>	17		(1,000,000)	(1,000,000)
<u>NET ASSETS</u>			4,889,925	2,010,478
<u>CAPITAL AND RESERVES</u>				
Called up share capital	18		186,002	186,002
Capital redemption reserve			30,000	30,000
Profit and loss account	21		4,673,923	1,794,476
<u>SHAREHOLDERS' FUNDS</u>			4,889,925	2,010,478

The financial statements on pages 4 to 20 were approved by the board of directors on 1<sup>st</sup> November 2002.

  
.....DIRECTOR  
(A.J.G. BILTON)

  
.....DIRECTOR  
(B.S. SANDHU)



THE RAVEN PROPERTY GROUP PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	<u>2002</u> £	<u>2001</u> £
Profit for the year after taxation	1,139,794	1,046,496
Capital reserve arising on purchase of minority interest in subsidiary	407,713	-
Share of reserves of newly-consolidated subsidiary:		
Revaluation reserve	-	1,075,455
Profit and loss account	-	(23,556)
Revaluation of freehold investment property	2,205,755	480,948
Share of revaluation of joint venture undertaking	256,571	-
	<hr/>	<hr/>
Total recognised gains and losses for the year	4,009,833	2,579,343
	<hr/> <hr/>	<hr/> <hr/>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2002</u> £	<u>2001</u> £
Total recognised gains and losses for the year	4,009,833	2,579,343
	<hr/>	<hr/>
Net additions to shareholders' funds	4,009,833	2,579,343
Shareholders' funds at 30 <sup>th</sup> April 2001	6,024,770	3,445,427
	<hr/>	<hr/>
Shareholders' funds at 30 <sup>th</sup> April 2002	10,034,603	6,024,770
	<hr/> <hr/>	<hr/> <hr/>

THE RAVEN PROPERTY GROUP PLC

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH APRIL 2002

	<u>Note</u>	<u>2002</u>	<u>2001</u>
		£	£
Net cash movement from operating activities	1	1,013,186	3,004,369
<u>Returns on investments and servicing of finance</u>			
Interest receivable		277,757	194,199
Interest payable		(444,151)	(392,349)
<u>Net cash movement from returns on investments and servicing of finance</u>		(166,394)	(198,150)
<u>Taxation</u>			
Taxation paid		(607,735)	(318,108)
<u>Capital expenditure and financial investment</u>			
Additions to tangible fixed assets		(3,607,992)	(2,883,623)
Additions to fixed asset investments		-	(103)
Proceeds from disposal of subsidiary undertaking		(77)	-
Proceeds from disposal of fixed assets		-	760,000
<u>Net cash movement from capital expenditure and financial investment</u>		(3,608,069)	(2,123,726)
<u>Acquisitions and disposals</u>			
Purchase of subsidiary undertakings		(72)	-
Purchase of minority interest in subsidiary undertaking		(150,030)	-
Purchase of joint venture interests		(468)	-
		(150,570)	-
<u>Equity dividends paid</u>		-	-
<u>Net cash movement before financing</u>		(3,519,582)	364,385
<u>Financing</u>			
Bank and other loans – current	2,3	(2,894,254)	4,115,534
Bank and other loans – over one year		4,892,047	470,000
<u>Net cash inflow from financing</u>		1,997,793	4,585,534
<u>Movement in cash in the year</u>	2,3	(1,521,789)	4,949,919

THE RAVEN PROPERTY GROUP PLC

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH APRIL 2002

1.	<u>RECONCILIATION OF OPERATING PROFIT TO NET CASH MOVEMENT FROM OPERATING ACTIVITIES</u>	<u>2002</u> £	<u>2001</u> £	
	Operating profit	1,910,606	1,344,800	
	Depreciation charges	45,463	42,237	
	Movement in stocks	(195,532)	(1,025,955)	
	Movement in current asset investment	-	60	
	Movement in debtors	(342,625)	863,243	
	Movement in creditors	(404,726)	1,779,984	
		<hr/>	<hr/>	
	<u>Net cash movement from operating activities</u>	<u>1,013,186</u>	<u>3,004,369</u>	
		<hr/>	<hr/>	
2.	<u>RECONCILIATION OF NET CASH INFLOW TO MOVEMENT IN NET DEBT</u>			
	(Decrease)/increase in cash in the year	(1,521,789)	4,949,919	
	Cash outflow from debt	(1,997,793)	(4,585,534)	
		<hr/>	<hr/>	
	Change in net debt	(3,519,582)	364,385	
	Net debt at 30th April 2001	(4,012,401)	(4,376,786)	
		<hr/>	<hr/>	
	Net debt at 30th April 2002	(7,531,983)	(4,012,401)	
		<hr/>	<hr/>	
3.	<u>ANALYSIS OF CHANGE IN NET DEBT</u>			
		At <u>30.4.02</u> £	Cash flows £	At <u>30.4.01</u> £
	Cash at bank and in hand	4,448,569	(1,521,789)	5,970,358
	Bank loans and overdrafts:			
	- within one year	(5,381,169)	(2,230,590)	(7,611,759)
	- after one year	(5,157,047)	(5,157,047)	-
	Other loans:			
	- within one year	(442,336)	663,664	(1,106,000)
	- after one year	(1,000,000)	265,000	(1,265,000)
		<hr/>	<hr/>	<hr/>
		(7,531,983)	(3,519,582)	(4,012,401)
		<hr/>	<hr/>	<hr/>

## THE RAVEN PROPERTY GROUP PLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002

#### 1. ACCOUNTING POLICIES

##### a) Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the inclusion of certain tangible fixed assets at valuation, and in accordance with applicable accounting standards.

##### b) Raven Close Joint Venture

Two of the company's principal subsidiaries, Raven Homes Plc and Raven Commercial Properties Plc, carry on property development and investment activities under the name of Raven Close Joint Venture. Raven Close Nominees Limited is a dormant company acting solely as nominee on behalf of the Raven Close Joint Venture and, as such, makes up accounts annually to the end of April each year which are duly filed at Companies House.

##### c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and those of its subsidiary and associated undertakings made up to 30th April 2002.

Raven Homes Plc, Raven Commercial Properties Plc and Raven Residential Investments Limited, the principal subsidiaries acquired following the company's incorporation in 1998, are all accounted for in the consolidated financial statements on a merger basis under the provisions of FRS 6: Acquisitions and Mergers.

The company, as permitted by Section 230 of the Companies Act 1985, does not present its own profit and loss account.

##### d) Associated undertakings

A company is treated as an associated undertaking when the group holds a substantial interest in it for the long term and exercises significant influence over its operating and financial policy decisions.

The group's share of the results of associated undertakings is included in the consolidated profit and loss account using the equity method of accounting. The investment in associated undertakings included in the consolidated balance sheet is based on the group's share of the net assets of associated undertakings.

##### e) Joint ventures

In the consolidated financial statements investments in joint ventures in their own right are accounted for under the gross equity method, pursuant to the requirements of FRS 9: Associates and Joint Ventures.

In the company's financial statements investments in joint ventures are stated at cost.

##### f) Turnover

Turnover represents amounts derived from the principal activities of the group, exclusive of VAT.

THE RAVEN PROPERTY GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002  
(CONTINUED)

1. ACCOUNTING POLICIES - (continued)

g) Depreciation

Provision for depreciation of tangible fixed assets is made on a reducing balance basis at rates calculated to write off the cost of the assets over their estimated useful lives, except leasehold improvements which are written off on a straight line basis over the unexpired term of the lease. The annual write down on net book value is:-

Office furniture and equipment	25%
Computer equipment	25%

No depreciation is provided on freehold or leasehold investment properties, except where the unexpired term of a leasehold interest is less than twenty years. The directors consider that this accounting policy (which represents a departure from statutory accounting rules) is necessary to provide a true and fair view.

Leases with an unexpired term of less than twenty years are depreciated over the year of the lease.

h) Stock

Stock, comprising development projects and properties, is stated at the lower of cost and net realisable value. Cost comprises direct costs of purchase and development, all costs associated with the holding of the property in stock, interest payable on loans and overdrafts financing the development project and financing costs. Net realisable value is defined as estimated selling price less all further costs of development and estimated selling expenses.

i) Investment properties

Purchases and sales of investment properties are accounted for on exchange of contract, unless the contract is conditional and the condition has not been satisfied at the date the financial statements are approved. In such circumstances the purchase or sale is accounted for on completion of contract.

Properties purchased in the year but subject to unconditional exchange of contracts at the balance sheet date are included in the financial statements at cost. Other properties held for investment purposes are included in the financial statements at their open market value. Surpluses or deficits arising on periodic revaluations of investment properties are transferred to revaluation reserve.

j) Investments

Investments held as fixed assets are stated at cost less any provision for a permanent diminution in value.

k) Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 – Deferred Tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes, except to the extent that the effects of such timing differences are not considered to be material to the financial statements.

The adoption of the standard has not required a prior period adjustment. If the new policy had been in place in the previous period no asset or liability would have been recognised as the conditions for recognition would not have been satisfied.

THE RAVEN PROPERTY GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002  
(CONTINUED)

2. TURNOVER

Turnover represents income receivable from the principal activities of the group, exclusive of VAT.

3. ADMINISTRATIVE EXPENSES

	<u>2002</u> £	<u>2001</u> £
Administrative expenses	2,810,365	2,606,108
Other operating income	(4,068)	(2,122)
	<u>2,806,297</u>	<u>2,603,986</u>

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>2002</u> £	<u>2001</u> £
The profit is stated after charging:		
Staff costs (note 5)	1,873,262	1,397,442
Auditors' remuneration:		
- audit services	30,000	27,750
- other services	-	-
Depreciation and amounts written off fixed assets	69,670	42,237
	<u>1,972,932</u>	<u>1,467,429</u>

5. STAFF COSTS

	<u>2002</u> £	<u>2001</u> £
Staff costs, including directors' remuneration (note 6), were as follows:-		
Wages and salaries	1,573,883	1,252,489
Ex gratia costs	71,146	-
Social security costs	172,706	142,657
Other pension costs	56,200	56,200
	<u>1,873,935</u>	<u>1,397,442</u>
Average number of staff employed, including directors	<u>20</u>	<u>17</u>

THE RAVEN PROPERTY GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002  
(CONTINUED)

6.	<u>DIRECTORS' REMUNERATION</u>	<u>2002</u> £	<u>2001</u> £
	Aggregate emoluments	<u>537,107</u>	<u>373,130</u>
	Emoluments of highest paid director	<u>281,018</u>	<u>224,753</u>
	Aggregate contributions into defined contribution pension schemes	<u>56,200</u>	<u>56,200</u>
	Number of directors within defined contribution pension schemes	<u>2</u>	<u>2</u>
7.	<u>NET INTEREST PAYABLE</u>	<u>2002</u> £	<u>2001</u> £
	Bank interest payable	342,287	313,783
	Other interest payable	101,864	78,566
		<u>444,151</u>	<u>392,349</u>
	Less: Interest receivable	(277,757)	(194,199)
		<u>166,394</u>	<u>198,150</u>
	Net interest payable totalling £91,000 (2001 - £302,078) has been capitalised as part of the cost of the group's development property (see note 13).		
8.	<u>TAX ON PROFIT ON ORDINARY ACTIVITIES</u>	<u>2002</u> £	<u>2001</u> £
	UK Corporation tax on profit for the year at the principal rate of 30% (2001 - 30%)	469,224	605,592
	Adjustment in respect of prior years	(9,228)	(63,696)
	Tax relating to joint ventures	9,788	22,464
		<u>469,784</u>	<u>564,360</u>
	Factors affecting the tax charge for the year:		
	Profit on ordinary activities before taxation	<u>1,609,578</u>	<u>1,510,771</u>
	Profit on ordinary activities multiplied by rate of UK Corporation Tax of 30% (2001 : 30%)	482,873	453,231
	Effects of :		
	Adjustments to previous periods	(9,228)	(63,696)
	Tax relating to joint ventures	9,788	22,464
	Other tax adjustments	(13,649)	152,361
	Current tax charge	<u>469,784</u>	<u>564,360</u>

THE RAVEN PROPERTY GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002  
(CONTINUED)

9. PARENT COMPANY PROFIT AND LOSS ACCOUNT

The profit dealt with in the financial statements of the parent company was £2,879,447 (2001 – profit £1,786,698).

10. TANGIBLE FIXED ASSETS

	<u>Total</u> £	<u>Freehold investment properties</u> £	<u>Office furniture and equipment</u> £
<u>Cost/Valuation</u>			
At 30 <sup>th</sup> April 2001	5,568,249	5,291,281	276,968
Additions	3,607,992	3,489,379	118,613
Disposals	(21,272)	-	(21,272)
Revaluation	2,205,755	2,205,755	-
	<hr/>	<hr/>	<hr/>
At 30 <sup>th</sup> April 2002	11,360,724	10,986,415	374,309
	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>			
At 30 <sup>th</sup> April 2001	150,303	-	150,303
Disposals	3,323	-	3,323
Charge for the year	45,463	-	45,463
	<hr/>	<hr/>	<hr/>
At 30 <sup>th</sup> April 2002	199,089	-	199,089
	<hr/>	<hr/>	<hr/>
<u>Net book value at 30<sup>th</sup> April 2002</u>	<u>11,161,635</u>	<u>10,986,415</u>	<u>175,220</u>
 <u>Net book value at 30<sup>th</sup> April 2001</u>	 <u>5,417,946</u>	 <u>5,291,281</u>	 <u>126,665</u>

The group's freehold investment properties are included at open market value as determined by the directors as at the balance sheet date. The historical cost of the freehold investment property at 30th April 2002 was £6,557,227 (2001 - £3,067,848).

No provision is made for the potential liability to taxation which would arise in the event of realisation of the freehold investment property at the amount at which it is stated in the financial statements. If the freehold investment property was sold, the taxation liability would amount to approximately £1,300,000 (2001 - £640,000).

The company does not own any tangible fixed assets.



THE RAVEN PROPERTY GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002  
(CONTINUED)

<u>INVESTMENT IN JOINT VENTURES</u>	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
<u>Group</u>		
Investment in shares – at cost	1,046	578
Share of gross assets less gross liabilities	126,698	(3,082)
	<u>127,744</u>	<u>(2,504)</u>
<u>Company</u>		
Investment in shares – at cost		£
At 30 <sup>th</sup> April 2001		3
Additions during the year		547
At 30 <sup>th</sup> April 2002		<u>550</u>

The company and the group have interests in the called up share capital of the following joint venture undertakings, all of which are involved in property development or property investment activities:

<u>Company</u>	<u>Issued share capital</u>	<u>Percentage Interest</u>
Fifty Five Management Limited (formerly Raven Gleeson Wharf Limited)	2 Ordinary £1 shares	50%
Raven Whitehall Limited	4 Ordinary £1 shares	50%
Lace Market Lofts Limited*	4 Ordinary £1 shares	50%
Raven Hercules Limited*	2 Ordinary £1 shares	50%
Raven (Westbourne) Limited	4 Ordinary £1 shares	50%
Raven (Burghill) Limited*	1,000 Ordinary £1 shares	24.9%
Raven (St. Andrews) Limited*	1,000 Ordinary £1 shares	24.9%
Raven Tower Limited	100 Ordinary £1 shares	50%
Raven Clifton Limited*	100 Ordinary £1 shares	49%

\*Owned directly by the company

The aggregate amount of capital and reserves and the results of the joint venture undertakings for the last relevant period were as follows:

	<u>Capital and Reserves</u>	<u>Profit/(loss) for the period</u>
	<u>£</u>	<u>£</u>
Fifty Five Management Limited	2	-
Raven Whitehall Limited	11,306	26,599
Lace Market Lofts Limited	4,387	(3,269)
Raven Hercules Limited	(16,019)	-
Raven (Westbourne) Limited	(3,505)	14,295
Raven (Burghill) Limited	61,232	60,232
Raven (St. Andrews) Limited	1,720	60,720
Raven Tower Limited	155,855	(358,278)
Raven Clifton Limited	<u>100</u>	<u>(3,000)</u>

# THE RAVEN PROPERTY GROUP PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002

(CONTINUED)

### 11. INVESTMENT IN JOINT VENTURES- (continued)

FRS 9 : Associates and Joint Ventures requires the following additional disclosures in respect of the group's joint venture undertakings:

a)	Aggregate of the group's share of:	<u>2002</u>	<u>2001</u>
		£	£
	Fixed assets	7,640,000	-
	Current assets	1,404,581	1,388,898
	Liabilities due within one year	(1,557,878)	(908,504)
	Liabilities due after one year or more	(7,360,005)	(482,898)
		<hr/>	<hr/>
	Share of net assets	<u>126,698</u>	<u>(2,504)</u>
b)	In respect of Raven Tower Limited, share of:		
	Turnover	540,082	-
	Loss before tax	(179,139)	-
	Taxation	-	-
	Loss after tax	(179,139)	-
		<hr/>	<hr/>
	Fixed assets	7,640,000	-
	Current assets	260,995	-
	Liabilities due within one year	(456,063)	-
	Liabilities due one year or more	(7,444,932)	-
		<hr/>	<hr/>
		<u>77,928</u>	<u>-</u>

### 12. INVESTMENT IN SUBSIDIARIES

<u>Company</u>	<u>£</u>
At 30 <sup>th</sup> April 2001 – at cost	216,280
Additions during the year	150,102
Disposals during the year	(98)
	<hr/>
At 30 <sup>th</sup> April 2002	<u>366,284</u>

The company and the group have interests in the called up share capital of the following subsidiary undertakings, all of which are wholly-owned and are variously involved in property trading, development or investment activities:-

<u>Company</u>	<u>Issued share capital</u>
Raven Homes Plc*	- 228,002 Ordinary 50p shares
Raven Commercial Properties Plc*	- 204,002 Ordinary 50p shares
Raven Residential Investments Limited*	- 100 Ordinary £1 shares
Raven Close Nominees Limited*	- 2 Ordinary £1 shares
Raven Glasgow Limited*	- 100 Ordinary £1 shares
Raven Heritage Limited (formerly Raven Nottingham Limited)*	- 2 Ordinary £1 shares
Raven Chelsea Limited	
(formerly Cuckfield (Jamaica Street) Limited)*	- 2 Ordinary £1 shares
Raven Management Services Limited*	- 2 Ordinary £1 shares

THE RAVEN PROPERTY GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002  
(CONTINUED)

12. INVESTMENT IN SUBSIDIARIES - (continued)

<u>Company</u>		<u>Issued share capital</u>
Ravenheath Limited*	-	100 Ordinary £1 shares
Raven Pub Company Limited*	-	2 Ordinary £1 shares
Raven Pubs Limited*	-	2 Ordinary £1 shares
Raven Brighton Limited	-	2 Ordinary £1 shares
Raven Leytonstone Limited (formerly Raven Sheffield Limited)	-	2 Ordinary £1 shares
Raven Newport Limited (formerly Raven Cornwall Limited)	-	2 Ordinary £1 shares
Raven Farnborough Limited	-	2 Ordinary £1 shares
Raven Retail Limited (formerly Raven Soho Limited)	-	2 Ordinary £1 shares
Raven Wimbourne Limited (formerly Raven Midlands Limited)	-	2 Ordinary £1 shares
Raven Leisure Limited	-	2 Ordinary £1 shares
Raven Putney Limited	-	2 Ordinary £1 shares

\* Owned directly by the company.

During the year the group disposed of its interest in Bunratty Management Limited (formerly Country House Investments Limited) and Bunratty Investments Limited (formerly Raven Vincent Limited) for a total consideration of £77 corresponding to the original combined book cost of these companies.

	<u>2002</u>	<u>Group</u> <u>2001</u>	<u>Company</u> <u>2002</u>	<u>Company</u> <u>2001</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
13. <u>STOCK</u>				
Development property	<u>7,337,994</u>	<u>7,142,462</u>	<u>-</u>	<u>-</u>

Interest of approximately £91,000 (2001 - £302,000) has been capitalised during the year and included in the cost of the group's development property. The amount of interest included in the stock value at the year end is approximately £229,000 (2001 - £400,000).

	<u>2002</u>	<u>Group</u> <u>2001</u>	<u>Company</u> <u>2002</u>	<u>Company</u> <u>2001</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
14. <u>CURRENT ASSET INVESTMENT</u>				
Other investment	<u>10</u>	<u>-</u>	<u>10</u>	<u>-</u>
	<u>2002</u>	<u>Group</u> <u>2001</u>	<u>Company</u> <u>2002</u>	<u>Company</u> <u>2001</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
15. <u>DEBTORS</u>				
Trade debtors	427,847	283,473	-	-
Amounts owed by subsidiary undertakings	-	-	5,785,149	4,059,794
Amounts owed by joint venture undertakings	1,299,359	487,300	566,400	-
Other debtors	1,097,249	1,711,322	147,188	321,875
Prepayments and accrued income	67,131	66,866	-	-
	<u>2,891,586</u>	<u>2,548,961</u>	<u>6,498,737</u>	<u>4,381,669</u>

Amounts owed by joint venture undertakings include the sum of £732,959 which is due for repayment after more than one year.

THE RAVEN PROPERTY GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002  
(CONTINUED)

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>Group</u>		<u>Company</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
	£	£	£	£
Bank loans and overdrafts	5,381,169	7,611,759	-	-
Other loans	442,336	1,106,000	-	-
Trade creditors	555,157	542,170	-	-
Amounts owed by subsidiary undertaking	-	-	1,001,181	1,584,964
Amounts owed to joint venture undertakings	3	14,797	3	-
Current corporation tax	440,801	588,540	(34,294)	(5,701)
Other taxes and social security	241,540	784,395	-	-
Other creditors	2,275,141	1,980,561	-	-
Accruals and deferred income	439,743	601,433	8,766	-
	<u>9,775,890</u>	<u>13,229,655</u>	<u>975,656</u>	<u>1,587,484</u>

Bank loans and overdrafts are secured by fixed and floating charges over the group's assets and by first charges over the group's properties.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	<u>Group</u>		<u>Company</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
	£	£	£	£
Bank loans	5,157,047	-	-	-
Other loans	1,000,000	1,265,000	1,000,000	1,000,000
	<u>6,157,047</u>	<u>1,265,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

The group's bank loans are secured by fixed and floating charges over the group's assets and by first charges over the group's properties. The bank loans are drawn under a two year revolving facility although, in accordance with normal banking practice, are repayable on demand. Interest on the bank loans is linked to the bank's base rate.

The group's and the company's other loans are repayable in 2005 and are subject to interest at 10% per annum.

18. CALLED UP SHARE CAPITAL	<u>2002</u>	<u>2001</u>
	£	£
<u>Authorised</u>		
1,000,000 Ordinary shares of 50p each	<u>500,000</u>	<u>500,000</u>
<u>Issued and fully paid</u>		
372,004 Ordinary shares of 50p each	<u>186,002</u>	<u>186,002</u>
19. CAPITAL RESERVE	<u>2002</u>	<u>2001</u>
	£	£
<u>Group</u>		
Arising on purchase of minority interest in subsidiary	<u>407,713</u>	<u>-</u>

THE RAVEN PROPERTY GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002  
(CONTINUED)

20.	<u>REVALUATION RESERVE</u>	<u>2002</u> £	<u>2001</u> £
	<u>Group</u>		
	At 30 <sup>th</sup> April 2001	1,556,403	-
	Revaluation of freehold investment property during the year	2,205,755	2,223,433
	Share of revaluation of joint venture undertaking	256,571	-
	Transfer to minority interest	-	(667,030)
		<hr/>	<hr/>
	At 30 <sup>th</sup> April 2002	<u>4,018,729</u>	<u>1,556,403</u>
21.	<u>PROFIT AND LOSS ACCOUNT</u>	<u>2002</u> £	<u>2001</u> £
	<u>Group</u>		
	At 30 <sup>th</sup> April 2001	4,057,312	3,034,372
	Retained loss of newly-consolidated subsidiary	-	(23,556)
	Retained profit for the year	1,139,794	1,046,496
		<hr/>	<hr/>
	At 30 <sup>th</sup> April 2002	<u>5,197,106</u>	<u>4,057,312</u>
	<u>Company</u>		
	At 30 <sup>th</sup> April 2001	1,794,476	7,778
	Retained profit for the year	2,879,447	1,786,698
		<hr/>	<hr/>
	At 30 <sup>th</sup> April 2002	<u>4,673,923</u>	<u>1,794,476</u>

THE RAVEN PROPERTY GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2002

(CONTINUED)

22. RELATED PARTY TRANSACTIONS

- a) Included in the group's debtors/(creditors) are the following balances with joint venture companies:

	<u>2002</u>	<u>2001</u>
	£	£
Raven Whitehall Limited	-	348
Raven (Burghill) Limited	211,650	211,650
Raven (St. Andrews) Limited	-	249,000
Raven (Westbourne) Limited	3,510	2
Raven Hercules Limited	11,264	11,265
Lace Market Lofts Limited	(2)	2
Raven Clifton Limited	339,975	-
Raven Tower Limited	<u>732,959</u>	<u>-</u>

Interest receivable for the year from Raven Tower Limited amounted to £93,451 (2001 - £Nil).

- b) During the year the group rendered management charges in the ordinary course of business to the following joint venture companies:

	<u>2002</u>	<u>2001</u>
	£	£
Raven (Burghill) Limited	72,520	239,320
Raven (St. Andrews) Limited	412,941	266,100
Raven Whitehall Limited	-	15,000
Raven (Westbourne) Limited	-	364,956
Lace Market Lofts Limited	-	404,500
Raven Tower Limited	<u>32,500</u>	<u>-</u>

- c) Included in the group's cost of sales and year end accruals are management fees of £190,000 (2001 - £Nil) payable to Hillside Management Services Limited, a company in which a director, Mr. B.S. Sandhu, has a material interest.
- d) Included in the group's creditors is a loan of £317,336 (2001 - £426,000) payable to Hillside Management Services Limited.
- e) In February 2002 the group made a loan of £100,000 to a director, Mr. A.J.G. Bilton. This loan was fully repaid, together with interest at a commercial rate, before the end of the year.
- f) The company has taken advantage of the exemption from the disclosure of related party transactions between companies included within the consolidated financial statements of The Raven Property Group Plc
- g) Throughout the year the company was under the control of Mr A.J.G. Bilton.