



THE RAVEN PROPERTY GROUP PLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2004

Company No: 3364739



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COMPANIES HOUSE

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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

THE RAVEN PROPERTY GROUP PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2004

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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 30 April 2004.

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 21 set out the consolidated results for the year ended 30 April 2004 and reflect the state of the company's and the group's affairs as at that date.

Dividends

The directors have declared and paid a dividend on the ordinary shares of the company of £2,064,622.

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 (2003 - 20 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:-

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

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.

DATED 29 November 2004

By order of the Board



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 21 for the year ended 30 April 2004. 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.

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

25 Harley Street
London W1G 9BR


GERALD EDELMAN
REGISTERED AUDITOR AND
CHARTERED ACCOUNTANTS

29 November 2004

THE RAVEN PROPERTY GROUP PLC

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2004

	<u>Note</u>	<u>2004</u>	<u>2003</u>
		£	£
<u>Turnover</u>	2		
Group and share of joint ventures		7,506,508	8,979,970
Less: Share of joint ventures		-	(1,998,164)
<u>Group turnover</u>		7,506,508	6,981,806
Cost of sales		(4,515,863)	(5,231,133)
<u>Gross profit</u>		2,990,645	1,750,673
Profit/(loss) on sale of fixed asset investments:			
Group	16,979		(217,051)
Joint ventures	-		3,150,914
		16,979	2,933,863
Administrative expenses		(2,134,075)	(2,481,848)
Exceptional credit/(cost)	3	50,000	(600,000)
Other income		166,963	100,000
Share of operating loss of joint ventures		(9,230)	(220,198)
Net interest payable:	6		
Group	(110,195)		(116,782)
Joint ventures	43,326		(347,449)
		(66,869)	(464,231)
<u>Profit on ordinary activities before taxation</u>	3	1,014,413	1,018,259
Tax on profit on ordinary activities	7	311,347	(279,894)
<u>Profit on ordinary activities after taxation</u>		1,325,760	738,365
Dividends paid		(2,064,622)	-
<u>Retained (loss)/profit for the year</u>	8, 20	(738,862)	738,365

The results for the current and previous accounting year relate to the continuing operations of the group.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	<u>2004</u>	<u>2003</u>
	£	£
<u>Reported profit on ordinary activities before taxation</u>	1,014,413	1,018,259
Realisation of property revaluation gains of previous years	-	1,118,729
<u>Historical cost profit on ordinary activities before taxation</u>	1,014,413	2,136,988
<u>Historical cost (loss)/profit for the year retained after taxation and dividends</u>	(738,862)	1,586,594

THE RAVEN PROPERTY GROUP PLC

CONSOLIDATED BALANCE SHEET AS AT 30 APRIL 2004

	<u>Note</u>	<u>2004</u>	<u>2003</u>
		£	£
<u>Fixed assets</u>			
Tangible assets	9	13,074,169	8,695,685
Investment in joint ventures:	10		
Share of gross assets		779,617	1,010,110
Share of gross liabilities		(77,496)	(849,841)
		<hr/>	<hr/>
		702,121	160,269
Other investments	12	3,707,298	2,007,298
		<hr/>	<hr/>
		17,483,588	10,863,252
<u>Current assets</u>			
Stock	13	1,789,259	4,540,195
Debtors	14	4,145,823	2,172,906
Cash at bank and in hand	15	1,481,100	4,425,834
		<hr/>	<hr/>
		7,416,182	11,138,935
<u>Creditors: amounts falling due within one year</u>	16	(4,342,513)	(9,099,900)
		<hr/>	<hr/>
<u>Net current assets</u>		3,073,669	2,039,035
		<hr/>	<hr/>
<u>Total assets less current liabilities</u>		20,557,257	12,902,287
<u>Creditors: amounts falling due after more than one year</u>	17	(7,298,880)	(1,300,000)
		<hr/>	<hr/>
<u>Net assets</u>		13,258,377	11,602,287
		<hr/>	<hr/>
<u>Capital and reserves</u>			
Called up share capital	18	186,002	186,002
Capital redemption reserve		30,000	30,000
Capital reserve		407,683	407,683
Merger reserve		195,053	195,053
Revaluation reserve	19	6,574,946	4,179,994
Profit and loss account	20	5,864,693	6,603,555
		<hr/>	<hr/>
<u>Equity shareholders' funds</u>		13,258,377	11,602,287
		<hr/>	<hr/>

The financial statements on pages 4 to 21 were approved by the board of directors on 29 November 2004


Director
 B.S. SANDHU

THE RAVEN PROPERTY GROUP PLC

PARENT COMPANY BALANCE SHEET AS AT 30 APRIL 2004

	<u>Note</u>	<u>2004</u>	<u>2003</u>
		£	£
<u>Fixed assets</u>			
Investment in joint ventures	10	511	511
Investment in subsidiaries	11	366,214	366,314
Other investment	12	2,007,298	2,007,298
		<u>2,374,023</u>	<u>2,374,123</u>
<u>Current assets</u>			
Debtors	14	10,598,425	3,593,815
Cash at bank and in hand		1,073,325	3,962,035
		<u>11,671,750</u>	<u>7,555,850</u>
<u>Creditor: amounts falling due within one year</u>	16	(2,172,159)	(1,512,752)
<u>Net current assets</u>		<u>9,499,591</u>	<u>6,043,098</u>
<u>Total assets less current liabilities</u>		<u>11,873,614</u>	<u>8,417,221</u>
<u>Creditors: amounts falling due after more than one year</u>	17	(657,500)	(1,300,000)
<u>Net assets</u>		<u>11,216,114</u>	<u>7,117,221</u>
<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	20	11,000,112	6,901,219
<u>Equity shareholders' funds</u>		<u>11,216,114</u>	<u>7,117,221</u>

The financial statements on pages 4 to 21 were approved by the board of directors on 29 November 2004


Director
 B.S. SANDHU

THE RAVEN PROPERTY GROUP PLC

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2004

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	<u>2004</u> £	<u>2003</u> £
<u>Profit on ordinary activities after taxation</u>	1,325,760	738,365
Revaluation of freehold investment property	2,394,952	1,279,994
Taxation on realised revaluation gains of prior years	-	(270,500)
Goodwill adjustment on acquisition of joint venture interest	-	(179,442)
Adjustments in respect of a prior year	-	(733)
<u>Total recognised gains and losses for the year</u>	<u>3,720,712</u>	<u>1,567,684</u>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2004</u> £	<u>2003</u> £
Total recognised gains and losses for the year	3,720,712	1,567,684
Dividends paid	(2,064,622)	-
Net additions to shareholders' funds	1,656,090	1,567,684
Shareholders' funds at 30 April 2003	<u>11,602,287</u>	<u>10,034,603</u>
Shareholders' funds at 30 April 2004	<u>13,258,377</u>	<u>11,602,287</u>

THE RAVEN PROPERTY GROUP PLC

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH APRIL 2004

	<u>Note</u>	<u>2004</u>	<u>2003</u>
		£	£
<u>Net cash movement from operating activities</u>	1	1,790,635	675,781
<u>Returns on investments and servicing of finance</u>			
Interest receivable	356,367	314,984	
Interest payable	(466,562)	(431,766)	
<u>Net cash movement from returns on investments and servicing of finance</u>		(110,195)	(116,782)
<u>Taxation</u>			
Taxation received/(paid)		203,183	(487,436)
<u>Capital expenditure and financial investment</u>			
Additions to tangible fixed assets	(2,023,193)	(1,585,480)	
Additions to fixed asset investments	(1,700,000)	(2,007,298)	
Proceeds from disposal of fixed assets	28,229	4,900,000	
Realisations in respect of joint ventures	-	1,901,451	
<u>Net cash movement from capital expenditure and financial investment</u>		(3,694,964)	3,208,673
<u>Dividends paid</u>		(2,064,622)	-
<u>Net cash movement before financing</u>		(3,875,963)	3,280,236
<u>Financing</u>			
Bank and other loans – current	(5,067,651)	1,554,076	
Bank and other loans – over one year	5,998,880	(4,857,047)	
<u>Net cash inflow/(outflow) from financing</u>	2	931,229	(3,302,971)
<u>Movement in cash in the year</u>	2, 3	(2,944,734)	(22,735)

THE RAVEN PROPERTY GROUP PLC

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2004

1. **Reconciliation of operating profit/(loss) to net cash movement from operating activities**

	<u>2004</u> <u>£</u>	<u>2003</u> <u>£</u>
Operating profit/(loss)	1,073,533	(1,231,175)
Depreciation charges	28,411	29,373
Movement in stocks	2,749,712	2,797,799
Movement in current asset investment	-	10
Movement in debtors	(2,176,038)	921,801
Movement in creditors	113,793	(1,842,027)
<u>Net cash movement from operating activities</u>	<u>1,790,635</u>	<u>675,781</u>

2. **Reconciliation of net cash inflow to movement in net debt**

Decrease in cash in the year	(2,944,734)	(22,735)
Cash (inflow)/outflow from debt	(931,229)	3,302,971
Change in net debt	(3,875,963)	3,280,236
Net debt at 30 April 2003	(4,251,747)	(7,531,983)
Net debt at 30 April 2004	<u>(8,127,710)</u>	<u>(4,251,747)</u>

3. **Analysis of changes in net debt**

	<u>At</u> <u>30.4.03</u> <u>£</u>	<u>Cash</u> <u>flows</u> <u>£</u>	<u>At</u> <u>30.4.04</u> <u>£</u>
Cash at bank and in hand	4,425,834	(2,944,734)	1,481,100
Bank loans and overdrafts:			
- within one year	(6,298,581)	6,110,868	(187,713)
- after one year	-	(6,641,380)	(6,641,380)
Other loans:			
- within one year	(1,079,000)	(1,043,217)	(2,122,217)
- after one year	(1,300,000)	642,500	(657,500)
	<u>(4,251,747)</u>	<u>(3,875,963)</u>	<u>(8,127,710)</u>

THE RAVEN PROPERTY GROUP PLC

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

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) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and those of its subsidiary undertakings and joint ventures made up to 30 April 2004.

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

c) Joint ventures

In the consolidated financial statements investments in joint ventures 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.

e) 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 length of the lease.

e) 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.

THE RAVEN PROPERTY GROUP PLC

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

(CONTINUED)

1. Accounting policies - (continued)

f) 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.

g) Investments

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

h) Deferred taxation

Deferred tax is provided for on a full provision basis on all timing differences which have arisen but not reversed at the balance sheet date. No timing differences are recognised in respect of gains on sale of assets where those gains have been rolled over into replacement assets. Deferred tax assets are recognised to the extent that they are recoverable, that is, on the basis of all available evidence, it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Any assets and liabilities recognised have not been discounted.

2. Turnover

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

3. Profit on ordinary activities before taxation

2004
£

2003
£

The profit is stated after charging:

Staff costs (note 4)	1,376,018	1,611,054
Auditors' remuneration:		
- audit services	28,750	30,000
Depreciation and amounts written off fixed assets	28,411	29,373
Exceptional (recovery)/cost:		
- (recovery)/provision for bad debt	<u>(50,000)</u>	<u>600,000</u>

THE RAVEN PROPERTY GROUP PLC

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

(CONTINUED)

4. <u>Staff costs</u>	<u>2004</u>	<u>2003</u>
	£	£
Staff costs, including directors' remuneration (note 5), were as follows:-		
Wages and salaries	1,162,979	1,351,576
Ex gratia costs	33,900	50,609
Social security costs	122,939	152,669
Other pension costs	56,200	56,200
	<u>1,376,018</u>	<u>1,611,054</u>
Average number of staff employed, including directors	<u>21</u>	<u>19</u>
 5. <u>Directors' remuneration</u>	 <u>2004</u>	 <u>2003</u>
	£	£
Aggregate emoluments	244,731	358,787
Emoluments of highest paid director	134,333	226,787
Aggregate contributions into defined contribution pension schemes	56,200	56,200
Number of directors within defined contribution pension schemes	2	2
 6. <u>Net interest payable</u>	 <u>2004</u>	 <u>2003</u>
	£	£
<u>Group</u>		
Bank interest payable	341,846	249,672
Other interest payable	124,716	182,094
Interest receivable	(356,367)	(314,984)
	<u>110,195</u>	<u>116,782</u>
 <u>Joint ventures</u>		
Bank interest payable	-	253,527
Other interest payable	-	145,950
Interest receivable	(43,326)	(52,028)
	<u>(43,326)</u>	<u>347,449</u>

THE RAVEN PROPERTY GROUP PLC

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

(CONTINUED)

7. <u>Tax on profit on ordinary activities</u>	<u>2004</u>	<u>2003</u>
	£	£
UK Corporation tax on profit for the year - group	(247,860)	412,172
UK Corporation tax on profit for the year - joint ventures	(5,838)	(681,816)
Adjustment in respect of prior years - group	51,449	(10,250)
Adjustment in respect of prior years - joint ventures	513,596	-
	<hr/>	<hr/>
Current tax credit	311,347	(279,894)
	<hr/>	<hr/>
Factors affecting the tax charge for the year:		
Profit on ordinary activities before taxation	1,014,413	1,018,259
	<hr/>	<hr/>
Profit on ordinary activities multiplied by rate of UK Corporation Tax of 30% (2003: 30%)	(304,324)	(305,478)
Effects of:		
Adjustments to previous periods	565,045	(10,250)
Marginal rate relief	10,375	7,205
Excess capital allowances	7,852	1,270
Non taxable and other items	32,399	27,359
	<hr/>	<hr/>
Current tax credit	311,347	(279,894)
	<hr/>	<hr/>
8. <u>Parent company profit and loss account</u>		

The profit dealt with in the financial statements of the parent company was £ 4,098,893 (2003 - £2,227,296).

THE RAVEN PROPERTY GROUP PLC

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

(CONTINUED)

9. Tangible fixed assets

<u>Cost/Valuation</u>	<u>Freehold investment properties</u> £	<u>Office furniture and equipment</u> £	<u>Total</u> £
At 30 April 2003	8,590,000	232,213	8,822,213
Additions	1,987,482	35,711	2,023,193
Disposals	-	(15,000)	(15,000)
Revaluation	2,394,952	-	2,394,952
	<hr/>	<hr/>	<hr/>
At 30 April 2004	12,972,434	252,924	13,225,358
	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>			
At 30 April 2003	-	126,528	126,528
Charge for the year	-	28,411	28,411
Disposals	-	(3,750)	(3,750)
	<hr/>	<hr/>	<hr/>
At 30 April 2004	-	151,189	151,189
	<hr/>	<hr/>	<hr/>
<u>Net book value at 30 April 2004</u>	12,972,434	101,735	13,074,169
	<hr/>	<hr/>	<hr/>
<u>Net book value at 30 April 2003</u>	8,590,000	105,685	8,695,685
	<hr/>	<hr/>	<hr/>

The group's investment properties are included at open market value as determined by the directors as at the balance sheet date. The historical cost of the investment properties at 30 April 2004 was £6,397,488 (2003 - £4,410,006).

No provision is made for the potential liability to taxation that 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 properties were sold, the taxation liability would amount to approximately £1,930,000 (2003-£1,250,000).

10. Investment in joint ventures

	<u>2004</u> £	<u>2003</u> £
<u>Group</u>		
Share of gross assets less gross liabilities	702,121	160,269
At 30 April 2004	<hr/> 702,121 <hr/>	<hr/> 160,269 <hr/>
<u>Company</u>		
Investment in shares – at cost	£	
At 30 April 2003 & 30 April 2004	<hr/> 511 <hr/>	

THE RAVEN PROPERTY GROUP PLC

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

(CONTINUED)

10. Investment in joint ventures – continued

The company and the group have interests in the called up share capital of the following joint ventures, 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	2 Ordinary £1 shares	50
The Highland Club Limited	4 Ordinary £1 shares	50
Raven Hercules Limited	2 Ordinary £1 shares	50
Audley Court 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 Five Ways Limited*	10 Ordinary A £1 shares)	50
	10 Ordinary B £1 shares)	
	80 Deferred £1 shares	

*Owned directly by the company

The aggregate amount of capital and reserves and the results of the joint ventures 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	-
The Highland Club Limited	(18)	-
Raven Hercules Limited	(16,019)	-
Audley Court Limited	(3,506)	-
Raven (Burghill) Limited	7,733	-
Raven (St. Andrews) Limited	30,154	-
Raven Tower Limited	164,427	14,035
Raven Five Ways Limited	1,231,993	33,698

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

Aggregate of the group's share of:	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Current assets	779,617	1,010,110
Liabilities due within one year	(77,496)	(849,841)
Share of net assets	<u>702,121</u>	<u>160,269</u>

THE RAVEN PROPERTY GROUP PLC

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

(CONTINUED)

11. Investment in subsidiaries

<u>Company</u>	£
At 30 April 2003	366,314
Disposals during the year	(100)
	<hr/>
At 30 April 2004	<u>366,214</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 Property Investments Limited*	-	100 Ordinary £1 shares
Raven Close Nominees Limited*	-	2 Ordinary £1 shares
Raven Management Services Limited*	-	2 Ordinary £1 shares
Ravenheath Limited*	-	100 Ordinary £1 shares
The Raven Pub Company Limited*	-	2 Ordinary £1 shares
Raven Newport Limited	-	2 Ordinary £1 shares
Raven Farnborough Limited	-	2 Ordinary £1 shares
Raven Putney Limited*	-	2 Ordinary £1 shares
Raven Devon Limited*	-	1 Ordinary £1 share

* Owned directly by the company.

	<u>Group</u>		<u>Company</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
	£	£	£	£
12. <u>Fixed asset investments</u>				
Other investments – at cost				
Unlisted investment	2,007,298	2,007,298	2,007,298	2,007,298
Listed investments	1,700,000	-	1,700,000	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>3,707,298</u>	<u>2,007,298</u>	<u>3,707,298</u>	<u>2,007,298</u>

The unlisted investment represents an interest in 2,000,000 preference shares of £1 each in Raven Property Holdings Plc, a company in which A.J.G. Bilton and B.S. Sandhu have material interests.

The market value of the listed investments at 30 April 2004 was £2,135,625.

THE RAVEN PROPERTY GROUP PLC

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

13. <u>Stock</u>	<u>Group</u>		<u>Company</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
	£	£	£	£
Development property	1,789,259	4,540,195	-	-
	<u>1,789,259</u>	<u>4,540,195</u>	<u>-</u>	<u>-</u>

14. <u>Debtors</u>	<u>Group</u>		<u>Company</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
	£	£	£	£
Trade debtors	32,192	18,624	-	-
Amounts owed by subsidiary undertakings	-	-	6,726,147	1,940,311
Amounts owed by joint ventures	14,530	14,578	14,530	14,578
Corporation tax recoverable	-	203,121	-	-
Other debtors	3,953,819	1,600,883	3,857,748	1,538,926
Prepayments and accrued income	145,282	335,700	-	100,000
	<u>4,145,823</u>	<u>2,172,906</u>	<u>10,598,425</u>	<u>3,593,815</u>

15. **Cash at bank and in hand**

Included in cash at bank and in hand are sums totalling £Nil (2003 - £317,700) representing funds held on behalf of various subsidiaries in relation to contracts to purchase property development projects conditional, inter alia, on obtaining planning consent.

THE RAVEN PROPERTY GROUP PLC

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

(CONTINUED)

16. <u>Creditors: amounts falling due within one year</u>	<u>Group</u>		<u>Company</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
	£	£	£	£
Bank loans and overdrafts	187,713	6,298,581	-	-
Other loans	2,122,217	1,079,000	747,217	-
Trade creditors	281,083	491,881	-	-
Amounts owed to subsidiary undertakings	-	-	612,954	1,382,875
Amounts owed to joint ventures	565,002	-	500,002	-
Current corporation tax	249,235	52,764	132,976	-
Other taxes and social security	172,797	61,203	-	-
Other creditors	313,536	329,678	133,112	107,820
Accruals and deferred income	450,930	786,793	45,898	22,057
	<u>4,342,513</u>	<u>9,099,900</u>	<u>2,172,159</u>	<u>1,512,752</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. <u>Creditors: amounts falling due after more than one year</u>	<u>Group</u>		<u>Company</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
	£	£	£	£
Bank loans	6,641,380	-	-	-
Amount owed to joint ventures	-	500,000	-	500,000
Other loans	657,500	800,000	657,500	800,000
	<u>7,298,880</u>	<u>1,300,000</u>	<u>657,500</u>	<u>1,300,000</u>

Analysis of loans	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
	£	£	£	£
Wholly repayable within five years	7,530,880	1,300,000	702,000	1,300,000
Included in current liabilities	232,000	-	44,500	-
	<u>7,298,880</u>	<u>1,300,000</u>	<u>657,500</u>	<u>1,300,000</u>

Loan maturity analysis

In more than one but not more than two years	815,000	500,000	545,000	500,000
In more than two but not more than five years	6,483,880	800,000	112,500	800,000
	<u>7,298,880</u>	<u>1,300,000</u>	<u>657,500</u>	<u>1,300,000</u>

THE RAVEN PROPERTY GROUP PLC

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

(CONTINUED)

18.	<u>Called up share capital</u>	<u>2004</u>	<u>2003</u>
		£	£
	<u>Authorised</u>		
	1,000,000 Ordinary shares of 50p each	500,000	500,000
		<u> </u>	<u> </u>
	<u>Issued and fully paid</u>		
	372,004 Ordinary shares of 50p each	186,002	186,002
		<u> </u>	<u> </u>
19.	<u>Revaluation reserve</u>	<u>2004</u>	<u>2003</u>
		£	£
	<u>Group</u>		
	At 30 April 2003	4,179,994	4,018,729
	Revaluation of freehold investment property	2,394,952	1,279,994
	Transfer to profit loss account on sale of investment properties	-	(1,118,729)
		<u> </u>	<u> </u>
	At 30 April 2004	6,574,946	4,179,994
		<u> </u>	<u> </u>
20.	<u>Profit and loss account</u>	<u>2004</u>	<u>2003</u>
		£	£
	<u>Group</u>		
	At 30 April 2003	6,603,555	5,197,106
	Retained (loss)/profit for the year	(738,862)	738,365
	Goodwill adjustment on acquisition of joint venture interest	-	(179,442)
	Transfer from revaluation reserve on sale of investment properties	-	1,118,729
	Taxation on realised revaluation gains of prior years	-	(270,500)
	Adjustment in respect of a prior year	-	(703)
		<u> </u>	<u> </u>
	At 30 April 2004	5,864,693	6,603,555
		<u> </u>	<u> </u>
	<u>Company</u>		
	At 30 April 2003	6,901,219	4,673,923
	Retained profit for the year	4,098,893	2,227,296
		<u> </u>	<u> </u>
	At 30 April 2004	11,000,112	6,901,219
		<u> </u>	<u> </u>

THE RAVEN PROPERTY GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2004
(CONTINUED)

21. **Financial commitments**

At 30 April 2004 the group had annual commitments under non-cancellable operating leases as follows:

	<u>2004</u>	<u>2003</u>
	£	£
<u>Land and buildings</u>		
Expiry date:		
In over five years	<u>129,000</u>	<u>125,125</u>

22. **Control**

Throughout the year the company was controlled by Mr. A.J.G. Bilton.

23. **Related party transactions**

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

	<u>2004</u>	<u>2003</u>
	£	£
Audley Court Limited	3,510	3,508
Raven Hercules Limited	(11,020)	(11,020)
Raven Tower Limited	(65,000)	(200,000)
Raven Five Ways Limited	<u>(500,000)</u>	<u>(500,000)</u>

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

	<u>2004</u>	<u>2003</u>
	£	£
Raven (Burghill) Limited	-	209,657
Raven (St. Andrews) Limited	-	3,000
Raven Tower Limited	6,500	139,000
Raven Five Ways Limited	<u>23,333</u>	<u>25,000</u>

- c) Included in the group's creditors is a loan of £202,000 (2003 - £129,000) payable to Santon Pension Fund, in which Messrs. A.J.G. Bilton and B.S. Sandhu are trustees and beneficiaries. The loan is subject to interest at the rate of 3% per annum over Base Rate and is repayable within one year
- d) Included in the group's and the company's debtors is a balance of £3,496,244 (2003 - £1,511,661) due from Raven Property Holdings Plc, in which Messrs. A.J.G. Bilton and B.S. Sandhu have material interests. Interest receivable for the year from Raven Property Holdings Plc amounted to £273,280 (2003 - £27,264).

THE RAVEN PROPERTY GROUP PLC
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2004
(CONTINUED)

23. **Related party transactions (continued)**

- e) During the year the group rendered management charges in the ordinary course of business to the following subsidiaries and joint ventures of Raven Property Holdings Plc:

	<u>2004</u>	<u>2003</u>
	£	£
Raven Retail Limited	100,000	112,279
Raven Brighton Limited	-	20,000
Raven Brighton Central Limited	100,000	-
Raven Heritage Limited	100,000	-
Raven Leisure Limited	65,000	-
Raven Leeds Limited	7,046	-
	<u> </u>	<u> </u>

- f) Included in the group's creditors is a loan of £702,717 payable to Hillside Management Services Limited, a company in which a director, Mr B.S. Sandhu has a material interest. The loan was repaid on 18 May 2004. Interest paid to Hillside Management Services Limited amounted to £3,480.
- g) The company has taken advantage of the exemption from the disclosure of related party transactions between companies included in the consolidated financial statements of The Raven Property Group Plc.