

**Barlows (Eastbourne) Limited  
(Formerly Westbury (Eastbourne) Limited)**

**Annual Report and Financial Statements**

31 December 2003

Registered number: 03532755



## Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report for the year ended 31 December 2003.

### Principal Activity and Business Review

The principal activity of the company is that of a holding company for its subsidiary which is engaged in property investment. The company changed its name to Barlows (Eastbourne) Limited on 23 December 2003.

### Results and Dividends

The results for the year are shown in the Profit and Loss Account on page 6.

A dividend of £763,815 (2002 - £1,000,000), was paid during the year.

### Directors and their interests

The directors who served during the year were as follows:-

A Bird	(appointed 17 December 2003)
R Fildes	(appointed 17 December 2003)
R Burrell	(resigned 17 December 2003)
M Ellis	(resigned 1 November 2003)
D Owen	(resigned 17 December 2003)

The directors do not have any interests required to be disclosed under Schedule 7 of the Companies Act 1985.

### Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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.

## Directors' report

### Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board



N K Rawlings  
Secretary

Registered Office  
Chepstow House  
Dee Hills Park  
Chester  
CH3 5AR

Date: 9/7/2004

## **Independent auditors' report**

**to the members of Barlows (Eastbourne) Limited  
(formerly Westbury (Eastbourne) Limited)**

We have audited the company's financial statements for the year ended 31 December 2003 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 15. These financial statements have been prepared on the basis of 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 auditors' 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**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with The Companies Act, 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Independent auditors' report**

**to the members of Barlows (Eastbourne) Limited  
(formerly Westbury (Eastbourne) Limited)**

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with The Companies Act, 1985.

*East & Tomlinson*

Registered Auditor  
Guernsey, Channel Islands

Date: *5 August 2004*

## Profit and loss account

for the year ended 31 December 2003

	Notes	2003 £	2002 £
<b>Rental Income –Discontinued Operations</b>	2	-	481,831
Operating expenses		(42,059)	(54,995)
<b>Operating (Loss)/Profit</b>	5	(42,059)	426,836
Dividend received		238,483	-
Interest receivable and similar income	3	-	1,348
Interest payable and similar charges	4	-	(456,262)
<b>Profit/(Loss) for the financial year, before exceptional item</b>		196,424	(28,078)
<b>Exceptional item</b>			
Profit on disposal of investment property		-	1,783,166
<b>Profit for the Financial Year</b>		196,424	1,755,088
Dividend paid		(763,815)	(1,000,000)
<b>(Loss)/Profit retained for the financial year</b>		(567,391)	755,088
<b>Accumulated profit/(loss), beginning of year</b>		567,391	(187,697)
<b>Accumulated profit end of year</b>		-	567,391

The company has no recognised gains or losses other than the result for the financial year.

There are no material differences between the results disclosed in the profit and loss account and the results on a historical cost basis.

The accompanying notes are an integral part of the financial statements.

Barlows (Eastbourne) Limited (formerly Westbury (Eastbourne) Limited)

## Balance sheet

at 31 December 2003

	Notes	2003 £	2002 £
<b>Fixed Assets</b>			
Investment in subsidiary	7	1	1
		<u>1</u>	<u>1</u>
<b>Current Assets</b>			
Debtors	8	3,747,308	3,896,011
<b>Creditors: amounts falling due within one year</b>	9	(624,885)	(3,328,521)
<b>Net Current Assets</b>		<u>3,122,423</u>	<u>567,490</u>
<b>Total Assets Less Current Liabilities</b>		<u>3,122,424</u>	<u>567,491</u>
<b>Creditors: amounts falling due after more than one year</b>	10	(3,122,324)	-
<b>Net Assets</b>		<u>100</u>	<u>567,491</u>
<b>Capital and Reserves</b>			
Called-up share capital	11	100	100
Profit and loss account		-	567,391
<b>Equity Shareholders' Funds</b>	12	<u>100</u>	<u>567,491</u>

ACB  
} Directors  
}

Date: 9 May 2004

The accompanying notes are an integral part of the financial statements.

## Notes to the financial statements

at 31 December 2003

### 1. Accounting policies

#### ***Accounting convention***

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

#### ***a) Basis of accounting***

The financial statements have been prepared under the historical cost convention, and in accordance with accounting standards applicable in the United Kingdom.

#### ***b) Taxation***

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation only to the extent that it is expected is provided using the liability method on all timing differences to reverse in the future without being replaced.

#### ***c) Rental income***

Rental income comprises the value of rents and service charges receivable (excluding VAT) in the normal course of business.

#### ***d) Consolidated accounts***

The company has not prepared consolidated accounts as the company and its subsidiary comprise a small group within the meaning of the Companies Act 1985. The financial statements present information about the company as an individual entity and not about its group.

#### ***e) Capital Instruments***

Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits. The finance costs associated the instrument are capitalised against the cost of the instrument and released to the profit and loss account at a constant rate over the term of the instrument

### 2. Rental income

Rental income arose entirely within the United Kingdom.



## Notes to the financial statements

At 31 December 2003

### 3. Interest receivable and similar income

	2003	2002
	£	£
Bank deposit interest	-	1,348
	<u>          </u>	<u>          </u>

### 4. Interest payable and similar charges

	2003	2002
	£	£
Bank loan interest	-	220,326
Bank loan break costs	-	171,182
Interest on amounts owed to parent company	-	64,754
	<u>          </u>	<u>          </u>
	-	456,262
	<u>          </u>	<u>          </u>

### 5. Operating profit

The directors received no emoluments for the current year or prior year. The company had no employees during the current year or prior year.

Auditors' remuneration in respect of audit services amounted to £2,500 (2002 - £2,375).

Auditors' remuneration in respect of non-audit services amounted to £2,056 (2002 - £2,000).

### 6. Tax on profit on ordinary activities

There is no corporation tax charge for the year (2002 - £nil).

### 7. Investment in subsidiary

	2003	2002
	£	£
Barlows Eastbourne Ventures Limited	1	1
	<u>          </u>	<u>          </u>

The company holds 100% of the ordinary share capital of Barlows Eastbourne Ventures Limited, a company incorporated in the UK. Its principal activity is to hold investment properties.

## Notes to the financial statements

At 31 December 2003

### 8. Debtors

	2003	2002
	£	£
Amounts owed by subsidiary	3,652,308	3,637,681
Amounts owed by related company	-	243,330
Tax recoverable	95,000	-
Prepayments and accrued income	-	15,000
	<u>3,747,308</u>	<u>3,896,011</u>

### 9. Creditors: amounts falling due within one year

	2003	2002
	£	£
Amounts owed to parent company	620,885	3,324,521
Accruals and deferred income	4,000	4,000
	<u>624,885</u>	<u>3,328,521</u>

Amounts owed to parent company are unsecured and have no fixed repayment date.

### 10. Creditors: amounts falling due after more than one year

	2003	2002
	£	£
Bank loan (net of finance costs)	3,122,324	-
	<u>3,122,324</u>	<u>-</u>

The loan bears interest at 1% above LIBOR and is repayable over 5 years. Finance costs incurred on the loan amount to £27,676. A security is placed over the leasehold property held by the subsidiary Barlows (Eastbourne) Ventures Limited being Unit 5 Admiral Retail Park, Eastbourne.

### 11. Called up share capital

	2003	2002
	£	£
Authorised, allotted, called up and fully paid		
50 'A' Ordinary shares of £1 each	50	50
50 'B' Ordinary shares of £1 each	50	50
	<u>100</u>	<u>100</u>

'A' and 'B' shares rank pari passu in all respects.

## Notes to the financial statements

At 31 December 2003

### 12. Reconciliation of movements in equity shareholders' funds

	2003 £	2002 £
Opening equity shareholders' funds/(deficit)	567,491	(187,597)
Profit for the financial year	196,424	1,755,088
Dividend paid	(763,815)	(1,000,000)
Closing equity shareholders' funds	<u>100</u>	<u>567,491</u>

### 13. Capital commitments

At the end of the year, the company had no capital commitments.

### 14. Cash flow statement

As permitted by Financial Reporting Standard No 1 (Revised 1996), the company has not produced a cash flow statement as it qualifies as a small company as defined by the Companies Act 1985.

### 15. Immediate and ultimate controlling parties

The immediate controlling party was formerly Westbury Properties Limited, a company incorporated in Guernsey. The ultimate controlling party was formerly The Westbury Property Fund Limited, a company incorporated in Guernsey. However, on 23 December 2003 the Company's share capital was acquired by Barlows Eastbourne Holdings Limited, the immediate and ultimate controlling party.