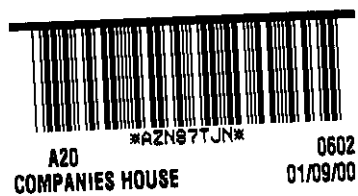


**ANTLER ASSETS LIMITED**

**Report and Financial Statements**

**31 March 2000**



**Deloitte & Touche  
Grosvenor House  
66/67 Athol Street  
Douglas  
Isle of Man  
IM99 1XJ**

**REPORT AND FINANCIAL STATEMENTS 2000**

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**REPORT AND FINANCIAL STATEMENTS 2000**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

Alan A Welsh BSc ARICS  
Thomas C L Pissarro ARICS  
Iain M Ramsay  
Robert J Dodd FCCA

**SECRETARY**

Robert J Dodd FCCA

**REGISTERED OFFICE**

37 Church Street  
Weybridge  
Surrey  
KT13 8DG

**SOLICITORS**

Solomon Taylor & Shaw  
3 Coach House Yard  
Hampstead High Street  
London  
NW3 1QD

**BANKERS**

Barclays Bank Plc  
London Corporate Banking  
PO Box 544  
54 Lombard Street  
London EC3V 9EX

**AUDITORS**

Deloitte & Touche  
Grosvenor House  
66/67 Athol Street  
Douglas  
Isle of Man  
IM99 1XJ

**DIRECTORS' REPORT**

The directors present their report and the audited financial statements for the year ended 31 March 2000.

**ACTIVITY**

The company's primary activities are considered to be property trading. During the year, the company disposed of its property interests to a fellow subsidiary, and is currently seeking new trading opportunities.

**YEAR 2000 COMPLIANCE**

Following their initial review, the directors continue to be alert to the potential risks and uncertainties surrounding the year 2000 issue. As at the date of this report, the directors are not aware of any significant factors which have arisen, or that may arise, which will affect the activities of the business, however the situation is still being monitored. Any future costs associated with this issue cannot be quantified but are not anticipated to be significant.

**RESULTS AND DIVIDENDS**

The profit for the year attributable to members amounted to £123,062 (period from incorporation to 31 March 1999 : £91,710). The directors do not recommend the payment of a dividend (1999 : £nil). The profit for the year has been transferred to reserves.

**DIRECTORS**

The present membership of the Board is set out on page 1. All directors served throughout the year and to date except for:

Appointed

T C L Pissarro

26 April 1999

No director has or had at any time during the year any beneficial interest in the shares of the company.

**AUDITORS**

A resolution for the appointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board

  
R J Dodd

Secretary

18 August 2000

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **AUDITORS' REPORT TO THE MEMBERS OF**

### **ANTLER ASSETS LIMITED**

We have audited the financial statements on pages 5 to 9 which have been prepared under the accounting policies set out on page 7.

#### **Respective responsibilities of directors and auditors**

As described on page 3 the company's directors are responsible for the preparation of financial statements which are required to be prepared in accordance with applicable United Kingdom Law and Accounting Standards. 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 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.

#### **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 2000 and of the profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

  
DELOITTE & TOUCHE

Chartered Accountants and Registered Auditors

18 August 2000

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 March 2000**

	Note	2000 £	1999 £
Turnover	2	3,700,000	1,375,000
Cost of sales		(3,533,923)	(1,236,333)
Gross profit		166,077	138,667
Administrative expenses		(8,965)	(4,245)
Other operating income – rental income receivable		83,227	198,444
Operating profit	3	240,339	332,866
Interest payable and similar charges	5	(64,537)	(199,953)
Profit on ordinary activities before taxation		175,802	132,913
Tax on profit on ordinary activities	6	(52,740)	(41,203)
Profit on ordinary activities after taxation	11	123,062	91,710

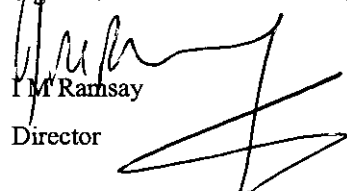
The directors consider that the company's activities are continuing. As there are no recognised gains or losses or other movements in shareholders' funds for the current year or previous period, except as stated in the profit and loss account, a Statement of Total Recognised Gains and Losses and a Reconciliation of Movements in Shareholders' Funds have not been produced.

**BALANCE SHEET**  
**As at 31 March 2000**

	Note	2000 £	2000 £	1999 £	1999 £
<b>CURRENT ASSETS</b>					
Stocks	7	-		3,503,389	
Debtors	8	-		2,397	
Amounts owing by parent undertaking		270,073		-	
Cash at bank and in hand		639		103,377	
		<u>270,712</u>		<u>3,609,163</u>	
<b>CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
Bank loans and overdrafts	9	-		2,847,592	
Trade creditors		-		9,985	
Amount owed to parent undertaking		-		534,741	
Other creditors		52,740		4,249	
Accruals and deferred income		2,200		119,886	
		<u>54,940</u>		<u>3,516,453</u>	
			<u>215,772</u>		<u>92,710</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		1,000		1,000
Profit and loss account	11		214,772		91,710
Equity shareholders' funds			<u>215,772</u>		<u>92,710</u>

These financial statements were approved by the Board of Directors on 18 Aug 2000.

Signed on behalf of the Board of Directors

  
I M Ramsay  
Director



**NOTES TO THE ACCOUNTS****Year ended 31 March 2000****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Stocks**

Properties are included in stocks at the lower of cost and net realisable value. Cost comprises the cost of the property acquired and direct costs. Net realisable value is the assessed sale price after deducting the cost of completing and selling.

**Deferred taxation**

Deferred taxation is provided on timing differences arising from the different treatment of items for accounting and taxation purposes, calculated at the rates at which it is expected that tax will arise.

**2. TURNOVER**

Turnover excludes value added tax and represents the sales value of trading properties sold, including sales where a contract has been signed but not completed before the year end. All of the turnover and results before tax are derived from the company's principal activity and arise wholly within the United Kingdom.

	2000 £	1999 £
Turnover – group companies	2,095,000	-
Turnover – third parties	1,605,000	1,375,000
	<u>3,700,000</u>	<u>1,375,000</u>

**3. OPERATING PROFIT**

	2000 £	1999 £
Operating profit is after charging:		
Audit fees	<u>3,500</u>	<u>2,500</u>

**4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

The company has no employees and no remuneration was paid to the directors during the year. All staff requirements are met by other group undertakings.

**NOTES TO THE ACCOUNTS****Year ended 31 March 2000****5. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Bank loans, overdrafts and other loans repayable within 5 years	64,537	199,953

**6. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
UK Corporation tax at 30% (1999 – 31%)	52,740	41,203

**7. STOCKS**

Stocks comprise land and buildings held for resale.

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Cost or net realisable value	-	3,503,389

**8. DEBTORS**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Due within one year:		
Other debtors	-	2,397

**9. BANK LOANS**

The bank loan was transferred to a fellow subsidiary under the terms of a Novation Agreement dated 4<sup>th</sup> June 1999.

**NOTES TO THE ACCOUNTS****Year ended 31 March 2000****10. CALLED UP SHARE CAPITAL**

	2000 £	1999 £
Ordinary shares of £1 each		
Authorised - 1,000 shares	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
Allotted and fully paid - 1,000 shares	<u>1,000</u>	<u>1,000</u>

**11. PROFIT AND LOSS ACCOUNT**

	2000 £	1999 £
Balance at 1 April	91,710	-
Profit for the year/period	123,062	91,710
	<u>214,772</u>	<u>91,710</u>
Balance at 31 March	<u>214,772</u>	<u>91,710</u>

**12. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY**

The immediate parent company is Antler Property Corporation Plc, a company registered in England and Wales. The ultimate parent company is Antler Property Corporation Limited, a company having been incorporated in Bermuda, discontinued and holding a certificate of continuance in the British Virgin Islands.

Antler Property Corporation Plc is considered to be the controlling party of the company. The ultimate controlling party is considered to be Lincoln Trust Company Limited, a British Virgin Islands corporation, as Trustees of the P S Gower Settlement.