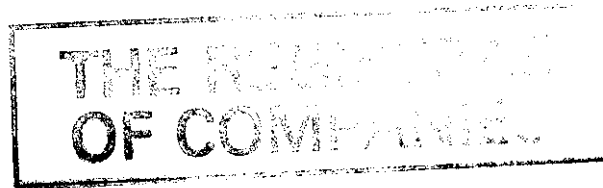


COMPANY REGISTRATION NUMBER 03612006

ALARD PROPERTIES LIMITED
ABBREVIATED ACCOUNTS
31ST AUGUST 2004



ARMSTRONG WATSON
Chartered Accountants & Registered Auditors
Fairview House
Victoria Place
Carlisle
Cumbria
CA1 1HP

ALARD PROPERTIES LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31ST AUGUST 2004

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ALARD PROPERTIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts which comprise the Balance Sheet and the related notes, together with the financial statements of the company for the year ended 31st August 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

CARLISLE



ARMSTRONG WATSON
Chartered Accountants
& Registered Auditors

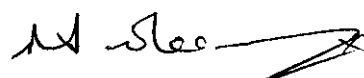
18.08.05

ALARD PROPERTIES LIMITED**ABBREVIATED BALANCE SHEET****31ST AUGUST 2004**

	Note	2004 £	2003 £
FIXED ASSETS	2		
Tangible assets		599,250	600,750
Investments		7,200,100	7,200,100
		<u>7,799,350</u>	<u>7,800,850</u>
CURRENT ASSETS			
Debtors		1,630,828	720,580
Cash at bank and in hand		1,595,761	227
		<u>3,226,589</u>	<u>720,807</u>
CREDITORS: Amounts falling due within one year		<u>2,267,159</u>	<u>2,786,398</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>959,430</u>	<u>(2,065,591)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,758,780</u>	<u>5,735,259</u>
CREDITORS: Amounts falling due after more than one year		<u>7,328,494</u>	<u>4,301,052</u>
		<u>1,430,286</u>	<u>1,434,207</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	1,000	1,000
Profit and loss account		1,429,286	1,433,207
SHAREHOLDERS' FUNDS		<u>1,430,286</u>	<u>1,434,207</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 17th August 2005 and are signed on their behalf by:



 MR M A WHEAWELL

ALARD PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31ST AUGUST 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

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

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Equipment 25% Reducing balance

In accordance with SSAP 19, investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation or amortisation is provided in respect of freehold investment properties. This treatment may be a departure from the requirements of the Companies Act regarding depreciation of fixed assets but the directors consider that this accounting policy is necessary for the accounts to give a true and fair view, as the properties are held for investment not consumption. Depreciation or amortisation is only one of the factors reflected in the annual valuations, and the amount which might otherwise have been shown cannot be separately identified or quantified.

ALARD PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31ST AUGUST 2004

2. FIXED ASSETS

	Tangible Assets £	Investments £	Total £
COST			
At 1st September 2003 and 31st August 2004	<u>603,189</u>	<u>7,200,100</u>	<u>7,803,289</u>
DEPRECIATION			
At 1st September 2003	2,439	—	2,439
Charge for year	<u>1,500</u>	<u>—</u>	<u>1,500</u>
At 31st August 2004	<u>3,939</u>	<u>—</u>	<u>3,939</u>
NET BOOK VALUE			
At 31st August 2004	<u>599,250</u>	<u>7,200,100</u>	<u>7,799,350</u>
At 31st August 2003	<u>600,750</u>	<u>7,200,100</u>	<u>7,800,850</u>

On 17th August 2001 the company acquired 90% of the issued share capital of Kingmoor Park Properties Limited. During the year ended 31 August 2002 the company acquired 100% of the issued share capital of Kingmoor Aviation Limited. Further information regarding these companies is listed below:

	2004 £	2003 £
Aggregate capital and reserves		
Kingmoor Park Properties Limited	20,597,072	17,353,051
Kingmoor Aviation Limited	(281,996)	(22,728)
Profit and (loss) for the period		
Kingmoor Park Properties Limited	397,922	452,287
Kingmoor Aviation Limited	(259,268)	(22,828)

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

3. CREDITORS: Amounts falling due after more than one year

Included within creditors falling due after more than one year is an amount of £Nil (2003 - £3,101,072) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

ALARD PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31ST AUGUST 2004

4. SHARE CAPITAL

Authorised share capital:

	2004	2003
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2004		2003	
	No	£	No	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>