

Doverline Limited

Financial statements

For the year ended 31 December 2004

Grant Thornton 



Company No. 3664351

Company information officers and professional advisers

Company registration number	3664351
Registered office	The Clockhouse Frogmoor HIGH WYCOMBE Buckingham HP13 5DL
Directors	R L Chalcraft A Lakhani D C Miller
Secretary	A Lakhani
Bankers	National Westminster Bank plc 4 Abbey Road READING Berkshire RG1 3BA
Solicitors	Jeffrey Green Russell Apollo House 56 New Bond Street LONDON W1Y 0SX
Auditors	Grant Thornton UK LLP Chartered Accountants Registered Auditors 1 Westminster Way OXFORD OX2 0PZ

Index contents

Report of the directors	3 - 4
Report of the independent auditors	5 - 6
Principal accounting policies accounting policies	7
Profit and loss account	8
Balance sheet	9
Cash flow statement	10
Notes to the financial statements	11 - 14

Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 December 2004.

Principal activities and business review

The company is principally engaged in one activity, namely building and estate management.

Results and dividends

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

The directors and their interests in the shares of the parent company

The directors who served the company during the year together with their beneficial interests in the shares of the parent company were as follows:

		At 31 December 2004	At 1 January 2004
R L Chalcraft	Ordinary	TBC	250
	Preference	-	1,000,000
A Lakhani	Ordinary	-	-
	Preference	-	-
D C Miller	Ordinary	-	-
	Preference	-	-

The interests of the directors in the ultimate parent undertaking are shown in the financial statements of that company.

Directors' responsibilities

United Kingdom 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 at the end of the year and of the profit or loss for the year then ended. 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
- 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

On 1 July 2004, the Grant Thornton partnership transferred its business to a limited liability partnership, Grant Thornton UK LLP. Under section 26(5) of the Companies Act 1989, the director(s) consented to extend the audit appointment to Grant Thornton UK LLP from 1 July 2004.

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD

A Lakhani
Secretary



14/7/2006 .

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Report of the independent auditors to the members of Doverline Limited

We have audited the financial statements of Doverline Limited for the year ended 31 December 2004 which comprise the principal accounting policies accounting policies, profit and loss account, balance sheet, cash flow statement and notes 1 to 12. These financial statements have been prepared under 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

The directors' responsibilities for preparing the report of the directors and the financial statements in accordance with United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

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 report of the directors 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 other information contained in the report of the directors and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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.

Report of the independent auditors to the members of Doverline Limited (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2004 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

OXFORD

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3 August, 2006

Principal accounting policies accounting policies

Basis of accounting

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

The principal accounting policies of the company have remained unchanged from the previous year.

Consolidation

The company is exempt from preparing consolidated financial statements on the grounds that taken together with its subsidiary companies, it qualifies as a medium sized group under Section 248 of the Companies Act 1985.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax measured using rates of tax that have been enacted or substantively enacted by balance sheet date.

Profit and loss account

	Note	2004 £000	2003 £000
Turnover		-	-
Administrative expenses		-	5
Other operating income		(3)	(17)
Profit on ordinary activities before taxation		<u>3</u>	<u>12</u>
Tax on profit on ordinary activities	2	-	-
Profit on ordinary activities after taxation		<u>3</u>	<u>12</u>
Dividends (including non-equity)	3	-	100
Retained profit/(loss) for the financial year	10	<u>3</u>	<u>(88)</u>

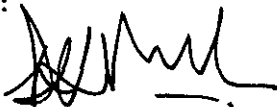
All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

Balance sheet

	Note	2004 £000	2003 £000
Fixed assets			
Investments	4	1,005	1,005
Current assets			
Debtors	5	19	19
Creditors: amounts falling due within one year	6	20	23
Net current liabilities		(1)	(4)
Total assets less current liabilities		1,004	1,001
Capital and reserves			
Called-up share capital	9	1,001	1,001
Profit and loss account	10	3	-
Shareholders' funds (including non-equity interests)	11	1,004	1,001

These financial statements were approved by the directors on 14/7/2005 and are signed on their behalf by:


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D C Miller

Cash flow statement

	2004 £000	2003 £000
Net cash inflow from operating activities	-	62
Returns on investments and servicing of finance		
Non-equity dividends paid	-	(62)
Net cash outflow from returns on investments and servicing of finance	-	-
Increase in cash	-	-

Reconciliation of operating profit to net cash inflow from operating activities

	2004 £000	2003 £000
Operating profit	3	12
Decrease in debtors	-	1,058
Decrease in creditors	(3)	(1,008)
Net cash inflow from operating activities	-	62

Reconciliation of net cash flow to movement in net funds

	2004 £000	2003 £000
Decrease in cash in the period	-	-
Movement in net funds in the period	-	-
Net funds at 1 January 2004	-	-
Net funds at 31 December 2004	-	-

Notes to the financial statements

1 Directors and employees particulars of employees

No salaries or wages have been paid to employees, including the directors, during the year (2003 - £nil).

2 Taxation on ordinary activities

Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2003 - 30%).

	2004 £000	2003 £000
Profit on ordinary activities before taxation	<u>3</u>	<u>12</u>
Profit/(loss) on ordinary activities by rate of tax	1	3
Utilisation of tax losses	(1)	-
Other timing differences	-	(3)
Total current tax	<u>-</u>	<u>-</u>

3 Dividends

No dividend has been recommended for the for the year ended 31 December 2004.

Preference dividends at a rate of 10% are payable in arrears. The preference dividends due from 13 November 2000 payable in arrears remained unpaid at 31 December 2004, 2003, 2002 and 2001 and have been added back to reserves. The total arrears due at 31 December 2004 was £222,000 (2003 - £222,000).

4 Investments

	Associated undertakings
	£000
Cost	
At 1 January 2004 and 31 December 2004	<u>1,005</u>
Net book value	
At 31 December 2004	<u>1,005</u>
At 31 December 2003	<u>1,005</u>

The above investment is solely in a 63.5% holding in the ordinary share capital of Roxylight Homes Limited. It is a holding company with net assets of £403,000 and made a profit of £252,000 during the year.

5 Debtors

	2004 £000	2003 £000
Other debtors	<u>19</u>	<u>19</u>

6 Creditors: amounts falling due within one year

	2004 £000	2003 £000
Amounts owed to group undertakings	8	7
Proposed dividends	12	12
Accruals and deferred income	-	4
	<u>20</u>	<u>23</u>

7 Contingent liabilities

The company is party to a multilateral bank guarantee with fellow group undertakings. This is secured on land and other assets of the company. At 31 December 2004 the contingent liability amounted to £nil (2003 - £7,960,000).

8 Capital commitments

There was no capital commitments at 31 December 2004 or 31 December 2003.

9 Share capital

Authorised share capital:

	2004 £000	2003 £000
1,001,000 Ordinary shares of £1 each	1,001	1
1,000,000 Preference shares of £1 each	-	1,000
	<u>1,001</u>	<u>1,001</u>

Allotted, called up and fully paid:

	2004		2003	
	No	£000	No	£000
Ordinary shares of £1 each	1,001,000	1,001	1,000	1
Preference shares of £1 each	-	-	1,000,000	1,000
	<u>1,001,000</u>	<u>1,001</u>	<u>1,001,000</u>	<u>1,001</u>

Preference shares

No dividend is payable in respect of the preference shares in relation to the two years to 13 November 2000. An 8% dividend paid quarterly in arrears is due for the year to 13 November 2001. From that date the cumulative dividend is 10% per annum. The cumulative preference dividend is to be paid in priority to any payment of dividends to ordinary shareholders.

The preference shares may be redeemed any time after 31 December 1998 if any person acquires directly or indirectly legal or beneficial ownership of any shares with an aggregate voting right of 50% of the ordinary share capital.

If not previously redeemed, the redemption date is 13 November 2001. If the company is unable to redeem due to the law or other restrictions they should be redeemed as soon thereafter as the law or other such restrictions allow.

On the 3 September 2004 all the preference shares of Doverline Limited were converted into ordinary shares.

10 Profit and loss account

	2004 £000	2003 £000
Retained profit/(accumulated loss) for the financial year	3	(88)
Unpaid preference dividend	-	88
Balance carried forward	<u>3</u>	<u>-</u>

11 Reconciliation of movements in shareholders' funds

Equity shareholders' funds

	2004 £000	2003 £000
Profit for the financial year	3	12
Dividends	—	(100)
	<u>3</u>	<u>(88)</u>
Unpaid preference dividends	—	88
Net addition to shareholders' equity funds	<u>3</u>	<u>—</u>
Opening shareholders' equity funds	1,001	1
Closing shareholders' equity funds	<u>1,004</u>	<u>1</u>

Non-equity shareholders' funds

Opening and closing shareholders' non-equity funds	<u>—</u>	<u>1,000</u>
Total shareholders' funds	<u>1,004</u>	<u>1,001</u>

12 Ultimate parent company

The directors consider that the ultimate parent undertaking of this company to be Evermale Limited, a company registered in England and Wales, by virtue of holding 99.9% of the issued ordinary share capital.