

Company Registration No. 4609147

Ashlane Properties Limited

Report and Financial Statements

31 March 2004



Ashlane Properties Limited

Report and financial statements 2004

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Ashlane Properties Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2004.

Principal activities

The principal activity of the company is property trading and investment.

Review of developments and future prospects

The results of the company for the year are set out in detail on page 4.

The directors do not recommend payment of a dividend (period from incorporation on 5 December 2002 to 31 March 2003 – £nil). The directors are optimistic about long term prospects.

Directors and their interests

The directors who served during the year were as follows:

L G Lipman

R Lipman

Neither of the directors hold shares in the company, which is wholly-owned a subsidiary of Safeland plc. Their interests in the shares of Safeland plc are disclosed in that company's financial statements. Apart from this, the directors had no beneficial interests in the shares of any group company.

Auditors

The directors have appointed Deloitte & Touche LLP as auditors following the commencement of trading during the year. A resolution to re-appoint Deloitte & Touche LLP will be proposed at the forthcoming Annual General Meeting.

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



M Davis
Secretary

26/11 2005

Ashlane Properties Limited

Statement of 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 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; 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 the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of Ashlane Properties Limited

We have audited the financial statements of Ashlane Properties Limited for the year ended 31 March 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 8. 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

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 United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

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.

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

Deloitte & Touche LLP

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

26 January 2005

Ashlane Properties Limited

Profit and loss account Year ended 31 March 2004

		Year ended 31 March 2004 £	Unaudited Period from incorporation on 5 December 2002 to 31 March 2003 £
	Note		
Turnover		2,326,000	-
Cost of sales		(2,193,296)	-
Gross profit		132,704	-
Sales and distribution costs		(52,268)	-
Other operating income		14,005	-
Operating profit		94,441	-
Interest receivable and similar income		2,572	-
Profit on ordinary activities before taxation	2	97,013	-
Tax on profit on ordinary activities	3	(29,104)	-
Profit on ordinary activities after taxation /retained profit for the financial period		67,909	-

All activities derive from continuing operations.

A statement of total recognised gains and losses is not presented in these financial statements as there are no recognised gains or losses other than the profit for the current year.

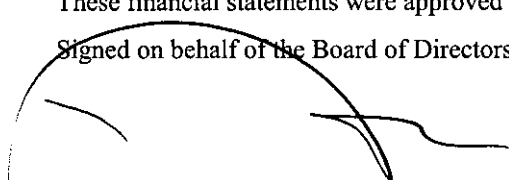
Ashlane Properties Limited

Balance sheet 31 March 2004

	Note	2004 £	Unaudited 2003 £
Current assets			
Debtors	4	97,015	2
Creditors: amounts falling due within one year	5	(29,104)	-
Net assets		<u>67,911</u>	<u>2</u>
Capital and reserves			
Called up share capital	6	2	2
Profit and loss account	7	<u>67,909</u>	-
Total equity shareholders' funds		<u>67,911</u>	<u>2</u>

These financial statements were approved by the Board of Directors on 26/11 2005.

Signed on behalf of the Board of Directors



L G Lipman
Director

Ashlane Properties Limited

Notes to the accounts Year ended 31 March 2004

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below, and have been applied consistently in the current year and preceding period.

Basis of preparation

The financial statements are prepared under the historical cost convention.

The company was dormant within the meaning of Section 249AA of the Companies Act 1985 throughout the preceding period. The company was thus entitled to the exemption provided by Section 249AA(1) of the Companies Act 1985 relating to dormant companies, and therefore the comparative figures presented in the financial statements are unaudited.

Cash flow statement and related party transactions

The company is a wholly-owned subsidiary of Safeland plc, which controls 90% or more of the voting rights, and is included in the consolidated financial statements of the group, which are publicly available. Consequently, the company has taken advantage of the exemption in FRS 1 (Revised) from presenting a cash flow statement and the exemption in FRS 8 from disclosing transactions with entities that are part of the Safeland plc group or investees of that group.

Turnover

Turnover represents the gross sales value on completion of contracts. All turnover is derived in the United Kingdom from property trading.

Stocks

Properties held for development and resale are stated at the lower of cost and net realisable value. Cost comprises purchase price, costs of acquisition and development costs. Purchases are recognised on completion of contracts.

Taxation

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

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

2. Profit on ordinary activities before taxation

Auditors' remuneration was borne by the parent company in the current year.

There were no employees in the current or preceding period.

The directors did not receive any remuneration during the current or preceding period.

Ashlane Properties Limited

Notes to the accounts Year ended 31 March 2004

3. Tax on profit on ordinary activities

	Year ended 31 March 2004 £	Unaudited Period from incorporation on 5 December 2002 to 31 March 2003 £
The tax charge comprises:		
UK corporation tax	29,104	-

There is no difference between the tax charge for the year and that resulting from applying the standard rate of corporation tax in the UK (30%) to the profit on ordinary activities before taxation.

4. Debtors

	2004 £	Unaudited 2003 £
Amounts owed by immediate parent company	97,013	-
Unpaid share capital	2	2
	<u>97,015</u>	<u>2</u>

5. Creditors: amounts falling due within one year

	2004 £	Unaudited 2003 £
Corporation tax	29,104	-

6. Called up share capital

	2004 £	Unaudited 2003 £
Authorised:		
1,000 (2003: 1,000) ordinary shares of £1 each	1,000	1,000
Called up, allotted and unpaid		
2 (2003: 2) ordinary shares of £1 each	2	2

Ashlane Properties Limited

Notes to the accounts Year ended 31 March 2004

7. Reserves and reconciliation of movements in equity shareholders' funds

	Share capital £	Profit and loss account £	Total equity shareholders' funds £
At 5 December 2002 (unaudited)	-	-	-
Issue of share capital	2	-	2
Result for the period (unaudited)	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2003	2	-	2
Profit for the year	-	67,909	67,909
	<hr/>	<hr/>	<hr/>
At 31 March 2004	<u>2</u>	<u>67,909</u>	<u>67,911</u>

8. Ultimate parent company and controlling party

Safeland plc is the company's immediate parent company and heads the smallest and largest group into which the results of the company are consolidated. Safeland plc is incorporated in Great Britain and registered in England and Wales. The company's ultimate parent company and controlling party is Safeland Holdings Corporation, a company incorporated in Panama.

Copies of the Safeland plc group accounts are available from the Company Secretary, 94-96 Great North Road, London N2 0NL