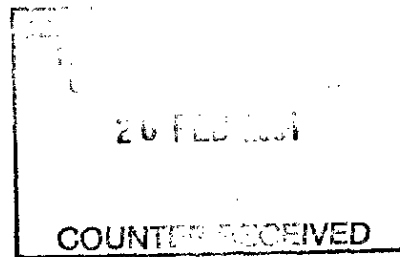




## **CIC Properties Limited**

### **Report and Financial Statements**

30 April 2003



Registered No: NI 32178

**Directors**

R A Scott  
G R Scott  
C D Scott

**Secretary**

C Kirkpatrick

**Auditors**

Ernst & Young LLP  
Bedford House  
16 Bedford Street  
Belfast  
BT2 7DT

**Bankers**

Northern Bank Limited  
9 Donegall Square West  
Belfast  
BT1 5GH

Ulster Bank Limited  
11-16 Donegall Square East  
Belfast  
BT1 5UB

First Trust Bank  
34/36 Market Square  
Lisburn  
BT28 1AF

**Solicitors**

Tughans Solicitors  
Marlborough House  
30 Victoria Street  
Belfast  
BT1 3GS

Simons, Muirhead & Burton  
54 Broadwich Street  
Soho  
London  
W1F 7AG

**Registered Office**

6 Saintfield Road  
Lisburn  
Co Antrim  
BT27 5BD

## Directors' report

The directors present their report and the group financial statements for the year ended 30 April 2003.

### Results and dividends

The profit for the year attributable to shareholders amounts to £2,155,586 (2002: £2,021,795) which is dealt with as shown in note 22.

The directors do not propose the payment of a dividend (2002: £8,500,000).

### Principal activities and review of business developments

The group's principal activities during the year were the development and sale of properties and property management.

### Market value of land and buildings

The valuation of the group's investment properties was reviewed by the directors on 30 April 2003 and they concluded that no revision in the valuation was necessary. The valuation in these financial statements is £1,500,380 (2002 - £1,500,380).

### Fixed assets

The changes in fixed assets during the year are summarised in the notes to the financial statements.

### Directors and their interests

The directors of the company during the year were as stated on page 1.

Under Article 22 the directors are not required to retire by rotation.

According to the register maintained as required under the Companies (Northern Ireland) Order 1986, the directors' interests in the share capital of the company were as follows:

	30 April 2003	30 April 2002
R A Scott	1	1
C D Scott	1	1

### Auditors

Ernst & Young LLP has expressed its willingness to continue in office as auditors and a resolution proposing its reappointment will be submitted at the annual general meeting.

On behalf of the board



Director

7-10-03

## **Statement of directors' responsibilities in respect of the financial statements**

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 and of the group and of the profit or loss of the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 group and to enable them to ensure that the financial statements comply with the Companies (Northern Ireland) Order 1986. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent auditors' report****to the members of CIC Properties Limited**

We have audited the company's financial statements for the year ended 30 April 2003, which comprise the Group Profit and Loss Account, Group Statement of Total Recognised Gains and Losses, Group Balance Sheet, Balance Sheet, Group Statement of Cash flows and the related notes 1 to 26. 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 Article 243 of the Companies (Northern Ireland) Order 1986. 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 (Northern Ireland) Order 1986. 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 group 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.

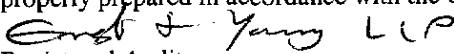
**Basis of audit opinion**

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 group'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 affairs of the group and of the company as at 30 April 2003 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986.

  
Registered Auditor  
Belfast

7 October 2003

## Group profit and loss account

for the year ended 30 April 2003

	Notes	2003 £	2002 £
Turnover	3	12,870,792	12,277,955
Cost of sales		(9,128,803)	(8,673,769)
<b>Gross profit</b>		<b>3,741,989</b>	<b>3,604,186</b>
Other operating income		71,385	100,000
Administrative expenses		(134,491)	(235,351)
Profit from interests in associated companies		774,707	507,375
<b>Group operating profit</b>	4	<b>4,453,590</b>	<b>3,976,210</b>
Other income	7	42,077	55,263
Interest payable and similar charges	8	(713,763)	(845,469)
Share of associated companies interest		(341,286)	(365,883)
<b>Profit on ordinary activities before taxation</b>		<b>3,440,618</b>	<b>2,820,121</b>
Taxation charge	9	(1,285,032)	(798,326)
<b>Profit for the financial year</b>	22	<b>2,155,586</b>	<b>2,021,795</b>
Dividends	11/22	-	(8,500,000)
<b>Profit/(loss) retained for the financial year</b>		<b>2,155,586</b>	<b>(6,478,205)</b>

## Group statement of total recognised gains and losses

for the year ended 30 April 2003

	2003 £	2002 £
Profit for the financial year excluding share of profits of associates	1,749,704	1,878,927
Share of associates profit for the year	405,882	142,868
<b>Total recognised gains and losses relating to the year</b>	<b>2,155,586</b>	<b>2,021,795</b>

## Group balance sheet

at 30 April 2003

	Notes	2003 £	2002 £
<b>Fixed assets</b>			
Tangible assets	12	1,531,880	1,532,380
Investments	13	1,744,972	1,606,880
		<u>3,276,852</u>	<u>3,139,260</u>
<b>Current assets</b>			
Stocks	14	27,566,483	29,177,088
Debtors	15	7,736,320	6,916,257
Cash at bank and in hand		212,138	838,711
		<u>35,514,941</u>	<u>36,932,056</u>
<b>Creditors</b> - amounts falling due within one year	17	13,572,082	16,804,257
<b>Net current assets</b>		<u>21,942,859</u>	<u>20,127,799</u>
<b>Total assets less current liabilities</b>		<u>25,219,711</u>	<u>23,267,059</u>
<b>Creditors</b> - amounts falling due after more than one year	18	(7,962,415)	(8,165,346)
		<u>17,257,299</u>	<u>15,101,713</u>
<b>Capital and reserves</b>			
Called up share capital	21	100	100
Revaluation reserve	22	832,381	832,381
Other reserves	22	(452,555)	(452,555)
Profit and loss account	22	16,877,373	14,721,787
	23	<u>17,257,299</u>	<u>15,101,713</u>




Directors

7-10-03

**Balance sheet**

at 30 April 2003

	Notes	2003 £	2002 £
<b>Fixed assets</b>			
Investments	13	452,555	452,555
<b>Current assets</b>			
Debtors	15	2,977,052	2,978,552
Cash at bank and in hand		36	36
		2,977,088	2,978,588
<b>Creditors</b> - amounts falling due within one year	17	1,500	1,500
<b>Net current assets</b>		2,975,588	2,977,088
<b>Total assets less current liabilities</b>		3,428,143	3,429,643
<b>Capital and reserves</b>			
Called up share capital	21	100	100
Profit and loss account	22	3,428,043	3,429,543
		3,428,143	3,429,643

ERNST &amp; YOUNG



Directors



7-10-03



# Group statement of cash flows

at 30 April 2003

	Notes	2003 £	2002 £
<b>Net cash inflow from operating activities</b>	4(b)	2,805,677	5,523,797
<b>Returns on investments and servicing of finance</b>			
Dividends received from associates		300,000	550,000
Interest received		42,077	55,263
Interest paid		(713,766)	(845,469)
<b>Net cash outflow from returns on investments and servicing of finance</b>		(371,689)	(240,206)
<b>Taxation</b>			
UK corporation tax paid		(1,196,600)	(568,378)
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets		(7,016)	(2,124)
Payments to acquire other investments		(32,210)	(31,966)
<b>Net cash outflow from investing activities</b>		(39,226)	(34,090)
<b>Equity dividends paid</b>		-	(8,500,000)
<b>Net cash inflow/(outflow) before financing</b>		1,198,162	(3,818,877)
<b>Financing</b>			
Repayment of bank term loan	16	(202,931)	(439,130)
Decrease in loan due from parent undertaking	16	-	2,296,988
Short term loans repaid	16	(1,621,804)	168,885
<b>Net cash (outflow)/inflow from financing</b>	16	(1,824,735)	2,026,743
<b>Decrease in cash</b>		(626,573)	(1,792,134)
<b>Reconciliation of net cash flow to movement in net debt</b>			
Decrease in cash in period	16	(626,573)	(1,792,134)
Cash inflow/(outflow) from increase in debt	16	1,824,735	(2,026,743)
<b>Movement in net debt</b>		1,198,162	(3,818,877)
<b>Net debt at 1 May</b>	16	(21,312,050)	(17,493,173)
<b>Net debt at 1 April</b>	16	(20,113,888)	(21,312,050)

## Notes to the financial statements

at 30 April 2003

### 1. Basis of preparation

No profit and loss account is present for CIC Properties Limited as permitted by Article 236(7) of the Companies (Northern Ireland) Order 1986.

Undertakings other than subsidiary undertakings in which the group has an investment representing not less than 20% of the voting rights and over which it exerts significant influence are treated as associated undertakings. The group accounts include the appropriate share of these undertakings' results and reserves based on audited accounts (except where otherwise stated) in respect of the following period ends:

Eastonsco Holdings Limited	-	30 September 2002
Windsor Fairlawn Developments Limited	-	30 April 2003

### 2. Accounting policies

#### *Accounting convention*

The accounts are prepared under the historical cost convention modified to include the revaluation of investment properties. The financial statements are prepared in accordance with applicable accounting standards. The true and fair override provisions of the Companies (Northern Ireland) Order 1986 have been invoked, see 'Properties' below

#### **Investment in subsidiaries and associates**

The investment in subsidiaries and associates is stated at cost.

#### *Properties*

Certain of the group's properties are held for long term investment and with effect from 30 April 1991 in accordance with SSAP 19:

- (a) such properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve; and
- (b) no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties where the unexpired lease term is 20 years or more.

Although the Companies Order would normally require the systematic annual depreciation of fixed assets, the directors believe that the policy of not providing depreciation is necessary in order for the financial statements to give a true and fair view, since the current value of investment properties, and changes to that current value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been included cannot be separately identified or quantified.

#### *Depreciation*

Depreciation is provided on all tangible fixed assets other than investment properties, at rates calculated to write off cost or valuation of each asset over its expected useful life as follows:

Vehicles	25% on annual written down value
Other	20% on annual written down value

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

#### *Goodwill*

Goodwill arising on acquisitions prior to 31 December 1997 was set off directly against reserves. Goodwill previously eliminated against reserves has not been reinstated on implementation of FRS 10.

## Notes to the financial statements

at 30 April 2003

### 2. Accounting policies (continued)

If a subsidiary or business is subsequently sold or closed, any goodwill arising on acquisition that was written off directly to reserves or that has not been amortised through the profit and loss account is taken into account in determining the profit or loss on sale or closure.

#### **Stocks**

Properties are stated at the lower of cost and estimated market value.

Cost incurred is actual cost of construction including interest to the date of completion.

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on the tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **Lease commitments**

Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

#### **Profits on sale of properties**

Profits on sale of properties are taken into account on the completion of contract. Profits arising from the sale of trading properties are included in the profit and loss account as part of the ordinary activities of the group.

### 3. Turnover

Turnover represents rent and recharges charged to tenants and proceeds of sale of trading properties and is stated exclusive of VAT.

## Notes to the financial statements

at 30 April 2003

### 4. Group operating profit

(a) This is stated after charging:

	2003	2002
	£	£
Auditors' remuneration	14,450	14,500
Depreciation of owned assets	7,516	7,997
Operating lease rentals - land and buildings	41,305	37,811

(b) Reconciliation of operating profit to net cash inflow from operating activities:

	2003	2002
	£	£
Operating profit	4,453,590	3,976,210
Depreciation	7,516	7,997
Profit from interests in associated undertakings	(774,707)	(507,375)
(Increase)/decrease in debtors	(997,064)	895,288
Decrease in stocks	1,610,605	366,724
(Decrease)/increase in creditors	(1,494,263)	784,953
<b>Net cash inflow from operating activities</b>	<b>2,805,677</b>	<b>5,523,797</b>

### 5. Directors' remuneration

	2003	2002
	£	£
Emoluments (including pension contributions)	400,000	250,000
Emoluments (excluding pension contributions) of highest paid director	400,000	250,000

Directors emoluments consist of a charge of £400,000 (2002 - £250,000) by Bitton Management Services Limited for the provision of services of Mr R A Scott in connection with the company's affairs.

### 6. Staff costs

There were no employees in the group who received remuneration during the year.

# Notes to the financial statements

at 30 April 2003

## 7. Other income

	2003 £	2002 £
Bank interest receivable	42,077	55,263
	<u>42,077</u>	<u>55,263</u>

## 8. Interest payable and similar charges

	2003 £	2002 £
Bank Loans and overdrafts wholly repayable within five years	6,410	7,556
Other loans not wholly repayable within five years	652,451	837,913
Corporation tax interest	54,902	-
	<u>713,763</u>	<u>845,469</u>

## 9. Tax charge

The taxation charge is made up as follows:

	2003 £	2002 £
Based on the profit for the year		
Corporation tax at 30% (2002-30%)	553,790	536,859
Corporation tax under/(over) provided in previous years	526,701	(2,294)
Share of associate company tax	27,540	(1,376)
Total corporation tax charge	<u>1,108,031</u>	<u>533,189</u>
Deferred taxation	177,001	265,137
	<u>1,285,032</u>	<u>798,326</u>

## Notes to the financial statements

at 30 April 2003

### 9. Tax charge (continued)

The taxation for the year is higher than the standard rate of corporation tax in the UK (30%). The differences explained below:

	2003 £	2002 £
Profit on ordinary activities before tax	3,440,618	2,820,121
Profit on ordinary activities before tax multiplied by the standard rate of corporation tax in the UK of 30%	1,032,185	846,036
Effects of:		
Tax losses not utilised	932	-
Utilisation of tax losses brought forward	(450,847)	(266,187)
Timing differences – associated company	-	(43,825)
Marginal rate relief	(17,728)	(5,196)
Adjustments for previous periods	526,701	(2,294)
Capital allowances in excess of depreciation	74	443
Non-qualifying depreciation	758	757
Disallowed expenses	15,956	3,455
	<u>1,108,031</u>	<u>533,189</u>

### 10. Loss attributable to members of the parent company

The loss dealt with in the accounts of the parent company was £1,500 (2002 – loss £1,516).

# Notes to the financial statements

at 30 April 2003

## 11. Dividends

	2003 £	2002 £
Dividends paid	-	8,500,000

## 12. Tangible fixed assets

### Group

	Land and buildings £	Fixtures, fittings and equipment £	Total £
Cost or valuation:			
At 1 May 2002	1,500,380	68,138	1,568,518
Additions	-	7,016	7,016
At 30 April 2003	1,500,380	75,154	1,575,534
Depreciation:			
At 1 May 2002	-	36,138	36,138
Provided during the year	-	7,516	7,516
At 30 April 2003	-	43,654	43,654
Net book value at 30 April 2003	1,500,380	31,500	1,531,880
Net book value at 1 May 2002	1,500,380	32,000	1,532,380

The net book value of land and buildings comprises:

	2003 £	Group 2002 £
Investment properties:		
Freehold	592,631	592,631
Long leasehold	907,749	907,749
	1,500,380	1,500,380

No depreciation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run. The directors consider that this accounting policy is necessary for the accounts to give a true and fair view.

# Notes to the financial statements

at 30 April 2003

## 13. Investments

### Group

	2003 £	2002 £
Associated undertakings (i)	1,337,551	1,231,669
Other fixed asset investments (ii)	407,421	375,211
	<u>1,744,972</u>	<u>1,606,880</u>
 (i) Associated undertakings		
		<i>Share of net tangible assets £</i>
At 1 May 2002		1,231,669
Share of profit of associated undertakings		405,882
Share of dividends paid		(300,000)
At 30 April 2003		<u>1,337,551</u>

An analysis of the cost of investment and the reserves is as follows:

	<i>Cost of investment £</i>	<i>Revaluation reserve £</i>	<i>Profit and loss account reserves £</i>	<i>Total £</i>
Opening balance	100	832,381	399,188	1,231,669
Share of profit for the year	-	-	405,882	405,882
Share of dividends paid	-	-	(300,000)	(300,000)
Closing balance	<u>100</u>	<u>832,381</u>	<u>505,070</u>	<u>1,337,551</u>

### (ii) Other fixed asset investments

	<i>Mortgage Redemption policy (at cost) £</i>
At 1 May 2002	375,211
Additions	32,210
At 30 April 2003	<u>407,421</u>

This represents the annual premiums paid on an endowment policy on the life of a director.



## Notes to the financial statements

at 30 April 2003

### 13. Investments (continued)

#### Company

*Subsidiary  
Undertakings  
£*

Cost:  
At 1 May 2002 and 30 April 2003

452,555

Details of the investments in which the group or the company holds more than 10% of the nominal value of any class of share capital are as follows:

<i>Name of company</i>	<i>Country of incorporation</i>	<i>Proportion Holding held</i>	<i>Nature of business</i>
----------------------------	-------------------------------------	------------------------------------	-------------------------------

#### Subsidiary undertakings:

##### Group

Windsor Securities Limited	Northern Ireland	Ordinary	100%	Property Development and management
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Windsor Developments Limited

Northern Ireland	Ordinary	100%	Property Development
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Ulster Properties Limited

Northern Ireland	Ordinary	100%	Dormant
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HT Homes Limited

Northern Ireland	Ordinary	100%	Dormant
------------------	----------	------	---------

Myarno Holdings Limited

Jersey	Ordinary	100%	Dormant
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##### Company

Ulster Properties Limited

Northern Ireland	Ordinary	100%	Dormant
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## Notes to the financial statements

at 30 April 2003

### 13. Investments (continued)

<i>Name of company</i>	<i>Country of incorporation</i>	<i>Holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
<b>Associated undertakings:</b>				
<b>Group</b>				
Eastonsco Holdings Limited	Northern Ireland	Ordinary	50%	Property management
Windsor Fairlawn Developments Limited	Northern Ireland	Ordinary	50%	Property development

### 14. Stocks

	<i>2003</i>	<i>Group 2002</i>	<i>2003</i>	<i>Company 2002</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Properties	27,566,483	29,177,088	-	-

### 15. Debtors

	<i>2003</i>	<i>Group 2002</i>	<i>2003</i>	<i>Company 2002</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Trade debtors	430,578	2,788,233	-	-
Other debtors	6,964,299	3,609,580	-	-
Amounts owed by subsidiary undertakings	-	-	2,977,052	2,978,552
Deferred taxation	341,443	518,444	-	-
	7,736,320	6,916,257	2,977,052	2,978,552

A deferred tax asset has been recognised as a result of trade losses carried forward against future taxable profits of the group of £524,405 (2002 - £701,478). This has been offset with a deferred tax liability of £182,962 (2002 - £183,034) relating to capital allowances in advance of depreciation.

## Notes to the financial statements

at 30 April 2003

### 16. Analysis of net debt

	At 1 May 2002 £	Cash (outflow)/ inflow £	At 30 April 2003 £
Cash at bank and in hand	838,711	(626,573)	212,138
Bank overdrafts and short term loans	(13,985,415)	1,621,804	(12,363,611)
Long term loans	(8,165,346)	202,931	(7,962,415)
	<u>(21,312,050)</u>	<u>1,198,162</u>	<u>(20,113,888)</u>

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

	2003 £	Group 2002 £	2003 £	Company 2002 £
Bank loans and overdraft (note 20)	12,107,445	13,729,249	-	-
Current instalment due on long term bank loan (note 20)	256,166	256,166	-	-
Corporation tax	273,942	390,050	-	-
Other creditors	6,950	1,006,887	-	-
Directors loans	32,362	13,957	-	-
Accruals and deferred income	895,217	1,407,948	1,500	1,500
	<u>13,572,082</u>	<u>16,804,257</u>	<u>1,500</u>	<u>1,500</u>

The bank loans are repayable on demand or, if earlier, on subsequent disposal of the property. Repayment terms are negotiable. Details of the long term loan are given in note 18. Interest rates are variable.

The bank loans and overdrafts are secured by first or second mortgages on certain investment properties and on all the property stocks of certain of its subsidiary undertakings and a guarantee by the company.

In addition there is a floating charge on the assets and undertaking of the company and certain subsidiary undertakings together with a fixed charge on their book debts and unlimited cross guarantees completed by certain subsidiary undertakings.

## Notes to the financial statements

at 30 April 2003

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

	2003	Group 2002	2003	Company 2002
	£	£	£	£
Loans (note 20)	7,962,415	8,165,346	-	-

Included in the above loans at 30 April 2003 is a bank loan of £666,268 (2002 - £869,199) and is secured on the book debts of the group, a fixed charge over the assets of certain properties held by certain subsidiary undertakings, a floating charge over the assets and undertaking of certain subsidiary undertakings and unlimited cross guarantees completed by certain group companies.

The other loans (£7,296,147 at 30 April 2003) are repayable after more than one year, are unsecured and are interest free.

### 19. Obligations under hire purchase contracts

Commitments under non-cancellable operating leases are as follows:

#### Group and company

	2003		2002	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire over five years	-	40,000	-	40,000

## Notes to the financial statements

at 30 April 2003

### 20. Loans

#### Group

	2003 £	2002 £
Bank loans in one year or less (note 17)	12,363,611	13,985,415
Bank loans between one and two years	256,166	256,166
Bank loans between two and five years	410,102	613,033
	<u>13,029,879</u>	<u>14,854,614</u>
Other loans due after five years	7,296,147	7,296,147
Total	<u>20,326,026</u>	<u>22,150,761</u>

Details of the security given on the bank loans are set out in notes 17 and 18.

Other loans

These loans will be repayable after more than five years and are interest free.

#### Group

	Notes	2003 £	2002 £
Total amounts due within one year	17	12,363,611	13,985,415
Amounts due after more than one year	18	7,962,415	8,165,346
		<u>20,326,026</u>	<u>22,150,761</u>

# Notes to the financial statements

at 30 April 2003

## 21. Share capital

*Authorised:*

	2003 £	2002 £
Ordinary shares of £1 each	10,000	10,000

*Allotted, called up and fully paid:*

	2003 £	2002 £
Ordinary shares of £1 each	100	100

## 22. Reserves

*Group*

	Share capital £	Investment property revaluation reserve £	Other reserves £	Profit and loss account £	Total £
At 1 May 2001 as restated	100	832,381	(452,555)	21,199,992	21,579,918
Profit for year	-	-	-	2,021,795	2,021,795
Dividend	-	-	-	(8,500,000)	(8,500,000)
At 1 May 2002	100	832,381	(452,555)	14,721,787	15,101,713
Profit for the year	-	-	-	2,155,586	2,155,586
At 30 April 2002	100	832,381	(452,555)	16,877,373	17,257,299

Other reserves relate to a merger reserve arising on a group reorganisation.

*Company*

	Profit and loss account £
At 1 May 2002	3,429,543
Retained loss for the year	1,500
At 30 April 2003	3,428,043

## Notes to the financial statements

at 30 April 2003

### 23. Reconciliation of shareholders' funds

	2003 £	2002 £
Opening shareholders funds	15,101,713	21,579,918
Total movements during the year	2,155,586	2,021,795
Dividends	-	(8,500,000)
Closing shareholders funds	<u>17,257,299</u>	<u>15,101,713</u>

### 24. Contingent liabilities

#### Group

The company has given an unlimited cross-guarantee in respect of the borrowings of certain subsidiary undertakings and a limited guarantee in respect of the bank borrowings of G R Homes Limited of £650k.

A subsidiary undertaking has given a limited guarantee in respect of the bank borrowings of Windsor Fairlawn Development of £2m.

### 25. Ultimate parent undertaking

The ultimate parent undertaking is Ardmore Limited, a company incorporated in the Isle of Man.

### 26. Related party transactions

During the year the group purchased goods in the normal course of business at arms length from G R Homes Limited for approximately £403,403 (2002 - £754,108) and sold land of £Nil (2003 - £15,000) to G R Homes Limited. GR Scott is a director of G R Homes Limited. Amounts due from other companies with common directors totalling £5,767,241.