

Sefu Development Company Limited

Directors' Report and Accounts

for the period ended 30 September 2002

company registration Scotland 220084



Sefu Development Company Limited
Financial statements
for the period ended 30 September 2002

Directors J. Guthrie
R. G. Urquhart

Secretary J. M. Johnson

Registered Office 56 George Street
Edinburgh
EH2 2LR

Registered Auditors Moore Stephens
Chartered Accountants
12/13 Alma Square
Scarborough
North Yorkshire
YO11 1JU

Business Address 56 George Street
Edinburgh
EH2 2LR

Company Number Scotland 220084

Bankers Bank of Scotland
The Mound
Edinburgh

Sefu Development Company Limited

Directors' report

for the period ended 30 September 2002

The directors present their annual report together with the company's audited statement of accounts for the period ended 30 September 2002.

Incorporation

The company was incorporated on 11 June 2001 as Quillco 108 Limited.

Change of name

On 25 October 2001 the company changed its name to Sefu Development Company Limited.

Directors' review

The company has remained dormant throughout the period under review.

Directors and their interests

The directors who served during the period were:

J. Guthrie	(appointed 25/10/01)
R. G. Urquhart	(appointed 25/10/01)
Quill Form Ltd	(appointed 11/06/01- resigned 25/10/01)

The interests of Mr. J. Guthrie in the capital of group companies are disclosed in the directors' report of Broadland Properties Limited. Mr. R. G. Urquhart and Quill Form Ltd held no interests in the capital of any group companies.

Elective resolutions

The shareholders have passed elective resolutions dispensing with the requirement to hold an annual general meeting and to lay the accounts before an annual general meeting. Nevertheless the directors would like to remind the shareholders that any shareholder has the right to call for the accounts to be laid before a meeting of the shareholders and this right may be exercised by notice in writing to the company's registered office within 28 days from the date of receipt of the accounts.

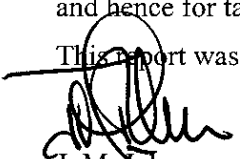
Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the company 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 apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements based 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.

This report was approved by the board on 19 December 2002 and signed on its behalf by



J. M. Johnson
Secretary

Independent auditors' report to the shareholders of Sefu Development Company Limited for the period ended 30 September 2002

We have audited the financial statements of Sefu Development Company Limited for the period ended 30 September 2002 set out on pages 3 to 4. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 4.

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 law and United Kingdom 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 Act 1985. 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 company 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 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 30 September 2002 and have been properly prepared in accordance with the Companies Act 1985.

**Chartered Accountants
12/13 Alma Square
Scarborough**

19 December 2002


Moore Stephens

**Registered Auditors
Chartered Accountants**

Sefu Development Company Limited

Balance sheet

as at 30 September 2002

	Notes	2002 £	£
Current Assets			
Debtors	3	<u>1</u>	
Net Current Assets			<u>1</u>
Total Assets Less Current Liabilities			<u><u>1</u></u>
Capital and Reserves			
Called up share capital	4		<u>1</u>
Equity Shareholders' Funds			<u><u>1</u></u>

The financial statements were approved by the Board on 19 December 2002 and signed on its behalf by



J. G. G.
Director

The notes on page 4 form an integral part of these financial statements.

Sefu Development Company Limited

Notes to the accounts

for the period ended 30 September 2002

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

1.2. Related party transactions

Advantage is taken of the exemption given in Financial Reporting Standard number 8 "Related Party Disclosures" from the requirement to separately disclose transactions with group companies.

2. Directors' emoluments

None of the directors, who were the only employees, received any emoluments for their services to the company during the current period

3. Debtors

2002
£

Amounts owed by ultimate holding company 1

Amounts owed by group companies have no specific repayment terms and may therefore be repayable after more than one year.

4. Share capital

2002
£

Authorised equity

250,000 Ordinary shares of £1 each 250,000

Allotted, called up and fully paid equity

1 Ordinary shares of £1 each 1

5. Contingent liabilities

The company has given cross guarantees in respect of group borrowing facilities from its principal bankers. Security given includes a debenture over the whole assets of this company.

6. Ultimate holding company

The accounts of this company are included in the consolidated accounts of the ultimate holding company, Broadland Properties Limited, which is incorporated in England. This company is therefore exempt from preparing group accounts.