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Chartered Accountants
& Registered Auditors

GRANGE PARK INVESTMENTS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003

Company Registration No. 24987 (England and Wales)



Plummer Parsons
Chartered Accountants

GRANGE PARK INVESTMENTS LIMITED

COMPANY INFORMATION

Directors

E L Parrish M.C.I.M.
V A Barton B.A.
J D Mabey
M N Parrish B.A. M.H.C.I.M.A.
R A Hobday MBA BSc

Secretary

M V Parrish

Company number

24987

Registered office

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Auditors

Plummer Parsons
18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Business address

Eagles Nest, 21 Darwell Drive, Stone Cross
Pevensey
East Sussex
BN24 5PG

Bankers

HSBC Bank plc
2 Devonshire Road
Bexhill on Sea
East Sussex
TN40 1AT

GRANGE PARK INVESTMENTS LIMITED

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GRANGE PARK INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2003

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

Principal activities and review of the business

The principal activity of the company continued to be that of share and property investment.

Results and dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid of 12.5p per share. The directors recommend payment of a final dividend of 67p per share. (62.5p 2002)

Market value of land and buildings

The property portfolio was last valued on 30 June 2002 and these valuations have been included within the accounts.

Directors

The following directors have held office since 1 July 2002:

E L Parrish	M.C.I.M.	
V A Barton	B.A.	
S W Knight	F.C.A.	(Resigned 4 April 2003)
J D Mabey		
M N Parrish	B.A. M.H.C.I.M.A.	
R A Hobday	MBA BSc	

Directors' interests

The directors' interests in the shares of the company were as stated below:

		ordinary shares of £ 1 each	
		30 June 2003	1 July 2002
E L Parrish	M.C.I.M.	17,284	17,284
V A Barton	B.A.	6,130	6,130
J D Mabey		8,924	8,924
M N Parrish	B.A. M.H.C.I.M.A.	301	301
R A Hobday	MBA BSc	1,000	1,000

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Plummer Parsons be reappointed as auditors of the company will be put to the Annual General Meeting.

GRANGE PARK INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2003

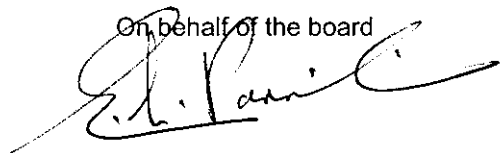
Directors' responsibilities

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 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;
- 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 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.

On behalf of the board



E L Parrish M.C.I.M.

Director

19 August 2003

GRANGE PARK INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GRANGE PARK INVESTMENTS LIMITED

We have audited the financial statements of Grange Park Investments Limited on pages 4 to 9 for the year ended 30 June 2003. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and 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 auditor's 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 the directors and auditors

As described in the statement of directors' responsibilities on page 2 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.

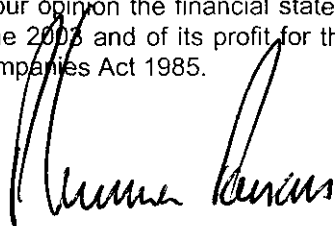
Basis of audit opinion

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 June 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Plummer Parsons

19 August 2003

Chartered Accountants
Registered Auditor

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

GRANGE PARK INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2003

	Notes	2003 £	2002 £
Turnover	2	149,250	139,587
Administrative expenses		(53,648)	(52,430)
Operating profit	3	95,602	87,157
Profit on sale of property		-	23,456
Loss on sale of investments		(5,232)	(10,162)
Profit on ordinary activities before interest		90,370	100,451
Investment income		6,348	5,878
Other interest receivable and similar income		3,558	4,568
Profit on ordinary activities before taxation		100,276	110,897
Tax on profit on ordinary activities	4	(21,392)	(20,223)
Profit on ordinary activities after taxation		78,884	90,674
Dividends	5	(30,330)	(28,613)
Retained profit for the year	11	48,554	62,061

The profit and loss account has been prepared on the basis that all operations are continuing operations.

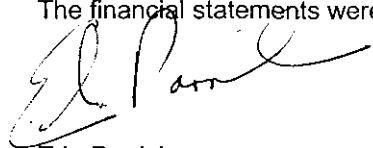
There are no recognised gains and losses other than those passing through the profit and loss account.

GRANGE PARK INVESTMENTS LIMITED

BALANCE SHEET AS AT 30 JUNE 2003

	Notes	2003 £	£	2002 £	£
Fixed assets					
Tangible assets	6 and 7	1,830,971		1,675,292	
Investments	8	241,997		240,708	
		<u>2,072,968</u>		<u>1,916,000</u>	
Current assets					
Cash at bank and in hand		151,981		257,889	
Creditors: amounts falling due within one year	9	<u>(55,228)</u>		<u>(52,723)</u>	
Net current assets			96,753		205,166
Total assets less current liabilities			<u>2,169,721</u>		<u>2,121,166</u>
Capital and reserves					
Called up share capital	10	38,150		38,150	
Revaluation reserve	11	1,094,237		1,150,672	
Profit and loss account	11	1,037,334		932,344	
Shareholders' funds - equity interests	12	<u>2,169,721</u>		<u>2,121,166</u>	

The financial statements were approved by the Board on 19 August 2003



E L Parrish
Director

GRANGE PARK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents net rents receivable.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	33% per annum of cost
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1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit

	2003	2002
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	267	267
Auditors' remuneration	2,075	2,025

4 Taxation

	2003	2002
	£	£
Domestic current year tax		
U.K. corporation tax	21,392	20,245
Adjustment for prior years	-	(22)
Current tax charge	21,392	20,223

GRANGE PARK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

5	Dividends	2003 £	2002 £
	Ordinary interim paid	4,769	4,769
	Ordinary final proposed	25,561	23,844
		<u>30,330</u>	<u>28,613</u>

6	Tangible fixed assets	Fixtures, fittings & equipment £
	Cost or valuation	
	At 1 July 2002 & at 30 June 2003	<u>3,253</u>
	Depreciation	
	At 1 July 2002	2,961
	Charge for the year	<u>267</u>
	At 30 June 2003	<u>3,228</u>
	Net book value	
	At 30 June 2003	<u>25</u>
	At 30 June 2002	<u>292</u>

7	Tangible fixed assets	Investment properties £
	Cost or valuation	
	At 1 July 2002	1,675,000
	Additions	254,271
	Disposals	<u>(98,325)</u>
	At 30 June 2003	<u>1,830,946</u>

The historical cost of the land and buildings at 30th June 2003 was £737,033 (2002 - £524,328).

GRANGE PARK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

8 Fixed asset investments

	Listed investments £	Endowment Policies £	Total £
Cost or valuation			
At 1 July 2002	197,064	43,644	240,708
Additions	13,621	11,477	25,098
Disposals	(12,769)	(11,040)	(23,809)
At 30 June 2003	197,916	44,081	241,997

	Market value £	Market value £	Total £
At 30 June 2003	224,303	44,081	268,384
At 30 June 2002	251,718	43,644	295,362

9 Creditors: amounts falling due within one year

	2003 £	2002 £
Trade creditors	200	-
Corporation tax	21,392	20,245
Unclaimed dividends	797	797
Accruals and deferred income	7,278	7,837
Proposed dividend	25,561	23,844
	55,228	52,723

10 Share capital

	2003 £	2002 £
Authorised		
55,000 ordinary shares of £ 1 each	55,000	55,000
Allotted, called up and fully paid		
38,150 ordinary shares of £ 1 each	38,150	38,150

GRANGE PARK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

11 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 July 2002	1,150,672	932,345
Retained profit for the year	-	48,554
Transfer from revaluation reserve to profit and loss account	(56,435)	56,435
	<u>1,094,237</u>	<u>1,037,334</u>
Balance at 30 June 2003	<u>1,094,237</u>	<u>1,037,334</u>

12 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Profit for the financial year	78,884	90,674
Dividends	(30,330)	(28,613)
Other recognised gains and losses	-	493,094
	<u>48,554</u>	<u>555,155</u>
Net addition to shareholders' funds	48,554	555,155
Opening shareholders' funds	2,121,166	1,566,011
	<u>2,169,720</u>	<u>2,121,166</u>
Closing shareholders' funds	<u>2,169,720</u>	<u>2,121,166</u>

13 Directors' emoluments

	2003 £	2002 £
Emoluments for qualifying services	23,678	25,837
	<u>23,678</u>	<u>25,837</u>

14 Employees

Employment costs	2003 £	2002 £
Wages and salaries	16,635	14,390
Social security costs	1,719	1,309
	<u>18,354</u>	<u>15,699</u>