

STONEFLARE UK LIMITED

Report and Financial Statements

31 March 2003



REPORT AND FINANCIAL STATEMENTS 2003

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DIRECTOR'S REPORT

The director presents his annual report and the unaudited financial statements for the year ended 31 March 2003.

PRINCIPAL ACTIVITY

The company is dormant.

DIVIDENDS

The company paid an interim dividend of £nil in respect of the year ended 31 March 2003 (2002 - £11,139). The director does not recommend the payment of a final dividend.


DIRECTOR AND HIS INTERESTS

The director who served throughout the year is Mr J H Williamson. He had no interest in the share capital of the company. His interest in the share capital of Cadastra Limited, the ultimate parent company, is set out in the report of the directors of that company.

Approved by the Director
and signed on his behalf

for CADASTRA LIMITED

Secretary


DIRECTOR/SECRETARY

Leda House
Station Road
Cambridge CB1 2RN

STONEFLARE UK LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 March 2003

	Note	2003 £	2002 £
Interest receivable and similar income	2	-	11,139
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	11,139
Tax on profit on ordinary activities	3	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	11,139
Dividends	4	-	(11,139)
LOSS FOR THE FINANCIAL YEAR		-	-

All transactions arose from discontinued activities.

There were no recognised gains or losses other than shown in the profit and loss account. Accordingly, no statement is provided of total recognised gains and losses.

BALANCE SHEET
31 March 2003

	Note	2003 £	2002 £
CURRENT ASSETS			
Debtors	6	<u>200,000</u>	<u>200,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>200,000</u>	<u>200,000</u>
CAPITAL			
Called up share capital	7	<u>200,000</u>	<u>200,000</u>

The annual accounts have not been audited because the company is entitled to the exemption provided by section 249AA(1) of the Companies Act 1985 relating to dormant companies and its members have not required the company to obtain an audit of these accounts in accordance with section 249B(2).

The director acknowledges his responsibilities for ensuring that the company keeps accounting records that comply with section 221 of the Companies Act 1985. The director also acknowledges his responsibilities for preparing accounts 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 its profit or loss for the financial year in accordance with section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.


 Director

NOTES TO THE ACCOUNTS
Year ended 31 March 2003

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Investment income

Investment income is included according to the date upon which dividends and interest became payable. Interest receivable on deposits and payable on borrowings is included on the accruals basis.

2. INTEREST RECEIVABLE AND SIMILAR INCOME

	2003 £	2002 £
Bank interest	-	469
Interest receivable from fixed asset investments	-	10,670
	<u>-</u>	<u>11,139</u>

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax assessed for the previous year is lower than that resulting from applying the standard rate of corporation tax in the UK 30% (2002 - 30%). The differences are explained below.

	2003 %	2002 %
Standard rate of tax for year as a percentage of profits	30	30
Effects of: Group relief	-	(30)
Current tax rate for year as percentage of profits	<u>30</u>	<u>-</u>

4. DIVIDENDS

	2003 £	2002 £
Paid - £nil (2002 - £0.0557) per ordinary share	-	11,139

NOTES TO THE ACCOUNTS
Year ended 31 March 2003

5. FIXED ASSET INVESTMENTS

	2003 £	2002 £
Fixed asset investments comprise:		
£10,000 of 8% Treasury Stock 2003		
Cost at 1 April 2002	-	9,582
Disposal	-	(9,582)
	<hr/>	<hr/>
Cost at 31 March 2003	-	-
	<hr/>	<hr/>
£6,000,000 zero interest unsecured loan notes 2007 in Cadastra Limited		
Cost at 1 April 2002	-	6,000,000
Disposal	-	(6,000,000)
	<hr/>	<hr/>
Cost at 31 March 2003	-	-
	<hr/>	<hr/>
Barclays Sterling Bond Fund		
Cost at 1 April 2002	-	200,000
Disposal	-	(200,000)
	<hr/>	<hr/>
Cost at 31 March 2003	-	-
	<hr/>	<hr/>
Total cost and net book value of fixed asset investments at 31 March	<hr/>	<hr/>
	<hr/>	<hr/>
Market value of gilt edged stocks and Barclays Sterling Bond Fund	<hr/>	<hr/>
	<hr/>	<hr/>

6. DEBTORS

	2003 £	2002 £
Taxation recoverable	160	320
Amount owed by fellow subsidiary	199,840	199,680
	<hr/>	<hr/>
	200,000	200,000
	<hr/>	<hr/>

NOTES TO THE ACCOUNTS
Year ended 31 March 2003

7. CALLED UP SHARE CAPITAL

	2003 £	2002 £
Authorised, issued and fully paid 200,000 ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

8. ULTIMATE PARENT COMPANY

The ultimate parent company and immediate controlling party is Cadastra Limited, which is registered in England and Wales. Copies of the group financial statements of Cadastra Limited are available from Leda House, Station Road, Cambridge.

9. ULTIMATE CONTROLLING PARTY

The ultimate controlling party of the company is Mr J H Williamson.

10. RELATED PARTY DISCLOSURES

The company is exempt from disclosing details of transactions with its ultimate parent company, Cadastra Limited, together with its subsidiaries, because copies of Cadastra Limited group financial statements are available at Leda House, Station Road, Cambridge.