

**RIDGEFORD PROPERTIES LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2000**



**HORWATH**  
**CLARK WHITEHILL**

*Chartered Accountants*

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DX 0014 London Chancery Lane



**RIDGEFORD PROPERTIES LIMITED  
DIRECTOR'S REPORT  
YEAR ENDED 31 MARCH 2000**

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**DIRECTOR**      C T Murray

The sole director has pleasure in presenting his report and the audited financial statements for the year ended 31 March 2000.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**RESULTS AND DIVIDENDS**

No dividends were proposed during the year.

**PRINCIPAL ACTIVITY**

The principal activity of the company is that of property managers and developers.

**DIRECTOR AND HIS INTERESTS**

The director has no beneficial interest in the share capital of the company.

**AUDITORS**

In accordance with section 385 of the Companies Act 1985 a resolution proposing the reappointment of Horwath Clark Whitehill as auditors to the company will be put to the annual general meeting.

By Order of the Board

  
Secretary

  
Director

**RIDGEFORD PROPERTIES LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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Company law requires the director to prepare accounts for each financial year which give a true and fair view of the company's state of affairs at the end of the year and of the profit or loss for that period. In preparing those accounts the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The director is 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 accounts comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

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**AUDITORS' REPORT  
TO THE SHAREHOLDERS OF  
RIDGEFORD PROPERTIES LIMITED**



We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

**Respective responsibilities of directors and auditors**

As described on page 2 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with 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 accounts 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 accounts 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 the information in the accounts.

**Unqualified 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 2000 and of its profit for the year ended and have been properly prepared in accordance with the Companies Act 1985.

*Horwath Clark Whitehill*

Chartered Accountants  
and Registered Auditors

*5 April 2001*

**RIDGEFORD PROPERTIES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MARCH 2000**

|   | Notes | 2000<br>£          | 1999<br>£        |
|---|-------|--------------------|------------------|
| <b>TURNOVER</b>   | 2     | 8,279,735          | 121,074          |
| <b>COST OF SALES</b>  |       | <u>(7,252,200)</u> | <u>-</u>         |
| <b>GROSS PROFIT</b>   |       | 1,027,535          | 121,074          |
| <b>ADMINISTRATIVE EXPENSES</b>                              |       | <u>(391,511)</u>   | <u>(164,534)</u> |
|   |       | 636,024            | (43,460)         |
| <b>OTHER INCOME</b>   |       | <u>207,503</u>     | <u>300</u>       |
| <b>OPERATING PROFIT/(LOSS)</b>                              |       | 843,527            | (43,160)         |
| Interest receivable   |       | 4,843              | 5,296            |
| Interest payable  |       | <u>(3,061)</u>     | <u>-</u>         |
| <b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |       | 845,309            | (37,864)         |
| Tax on profit on ordinary activities                        | 4     | <u>(259,815)</u>   | <u>-</u>         |
| <b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>                 |       | 585,494            | (37,864)         |
| <b>RETAINED (LOSS) brought forward</b>                      |       | (295,861)          | (257,997)        |
| <b>RETAINED PROFIT/(LOSS) carried forward</b>               |       | <u>289,633</u>     | <u>(295,861)</u> |

The notes on pages 6 to 8 form part of these financial statements.

**RIDGEFORD PROPERTIES LIMITED**  
**BALANCE SHEET**  
**31 MARCH 2000**

|   | Notes | 2000<br>£           | 1999<br>£          |
|---|-------|---------------------|--------------------|
| <b>FIXED ASSETS</b>                                   |       |                     |                    |
| Tangible assets                                       | 5     | 50,006              | 18,468             |
| <b>CURRENT ASSETS</b>                                 |       |                     |                    |
| Stock and work in progress                            | 6     | 12,802,059          | 13,016,121         |
| Trade debtors   |       | 186,530             | 27,838             |
| Other debtors and prepayments                         |       | 305,166             | 134,941            |
| Cash at bank and in hand                              |       | 974,128             | 106,726            |
|   |       | <u>14,267,883</u>   | <u>13,285,626</u>  |
| <b>CREDITORS: amounts falling due within one year</b> | 7     | <u>(14,008,672)</u> | <u>(7,528,592)</u> |
| <b>NET CURRENT ASSETS</b>                             |       | <u>259,211</u>      | <u>5,757,034</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |       | <u>309,217</u>      | <u>5,775,502</u>   |
| <b>CREDITORS: amounts falling due after one year</b>  | 8     | <u>(19,484)</u>     | <u>(6,071,263)</u> |
| <b>NET ASSETS/(LIABILITIES)</b>                       |       | <u>289,733</u>      | <u>(295,761)</u>   |
| <b>CAPITAL AND RESERVES</b>                           |       |                     |                    |
| Called up share capital                               | 9     | 100                 | 100                |
| Profit and loss account                               |       | <u>289,633</u>      | <u>(295,861)</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                            |       | <u>289,733</u>      | <u>(295,761)</u>   |

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 5 April 2001  
and signed on its behalf by:

 Director

The notes on pages 6 to 8 form part of these financial statements.

**RIDGEFORD PROPERTIES LIMITED**  
**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31 MARCH 2000**

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**1. ACCOUNTING POLICIES**

**a) Basis of Accounting**

The financial statements are prepared under the historical cost convention and in accordance with:

- I) the Financial Reporting Standard for Smaller Entities, (effective March 2000) and
- II) the special provision of Part VII of the Companies Act 1985 relating to small companies.

**b) Depreciation**

Depreciation is provided on all tangible fixed assets in use, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

|                       |                          |
|-----------------------|--------------------------|
| Office equipment      | - 25% p.a. straight line |
| Fixtures and fittings | - 25% p.a. straight line |
| Motor vehicle         | - 25% p.a. straight line |

**c) Foreign Currencies**

Transactions denominated in foreign currency are translated into sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date. All exchange differences are taken to the profit and loss account.

**d) Stock and Work in Progress**

Development land and buildings are stated at the lower of cost, which includes interest and a proportion of administration expenses incurred on specific projects, and net realisable value.

**2. TURNOVER**

Turnover represents the net amount invoiced to customers less trade discounts, excluding value added tax and sales of fixed assets. The turnover is wholly attributable to the company's main activity within the United Kingdom.

**3. OPERATING PROFIT**

|   |              |              |
|---|--------------|--------------|
| Operating profit is stated after charging | <b>2000</b>  | <b>1999</b>  |
|   | <b>£</b>     | <b>£</b>     |
| Director's remuneration                   | 84,770       | 50,000       |
| Depreciation                              | 10,329       | 7,487        |
| Auditors remuneration                     | <u>5,000</u> | <u>5,000</u> |

**4. TAX ON PROFIT ON ORDINARY ACTIVITIES**

Based on the profit for the year:

|                        |                |   |
|------------------------|----------------|---|
| Corporation tax at 30% | <u>259,815</u> | - |
|------------------------|----------------|---|

**RIDGEFORD PROPERTIES LIMITED**  
**NOTES TO THE ACCOUNTS (continued)**  
**YEAR ENDED 31 MARCH 2000**

**5. TANGIBLE FIXED ASSETS**

|                            | Office<br>equipment<br>£ | Fixtures<br>and<br>Fittings<br>£ | Motor<br>Vehicle<br>£ | Total<br>£    |
|----------------------------|--------------------------|----------------------------------|-----------------------|---------------|
| <b>Cost</b>                |                          |                                  |                       |               |
| 1 April 1999               | 7,114                    | 3,339                            | 19,495                | 29,948        |
| Additions                  | 26,613                   | 386                              | 29,995                | 56,994        |
| Disposals                  | -                        | -                                | (19,495)              | (19,495)      |
| <b>As at 31 March 2000</b> | <b>33,727</b>            | <b>3,725</b>                     | <b>29,995</b>         | <b>67,447</b> |
| <b>Depreciation</b>        |                          |                                  |                       |               |
| 1 April 1999               | 2,945                    | 1,630                            | 6,905                 | 11,480        |
| Charge for the year        | 8,432                    | 931                              | 6,100                 | 15,463        |
| Disposals                  | -                        | -                                | (9,502)               | (9,502)       |
| <b>As at 31 March 2000</b> | <b>11,377</b>            | <b>2,561</b>                     | <b>3,503</b>          | <b>17,441</b> |
| <b>Net book value</b>      |                          |                                  |                       |               |
| 31 March 2000              | <b>22,350</b>            | <b>1,164</b>                     | <b>26,492</b>         | <b>50,006</b> |
| <b>Net book value</b>      |                          |                                  |                       |               |
| 31 March 1999              | <b>4,169</b>             | <b>1,709</b>                     | <b>12,590</b>         | <b>18,468</b> |

**Assets held under finance lease included above:**

|                           |               |
|---------------------------|---------------|
| <b>Net book value:</b>    |               |
| 31 March 2000             | <u>26,492</u> |
| Depreciation for the year | <u>6,100</u>  |

**6. STOCK AND WORK IN PROGRESS**

|                               | 2000<br>£         | 1999<br>£         |
|-------------------------------|-------------------|-------------------|
| Development land and building | <u>12,802,059</u> | <u>13,016,121</u> |

Development land and buildings, includes attributable interest, which amounts to £668,186 (1999: £793,704).

**7. CREDITORS - amounts falling due within one year**

|                                       | 2000<br>£         | 1999<br>£        |
|---------------------------------------|-------------------|------------------|
| Bank loans                            | 5,583,615         | 4,774,821        |
| Other loans (secured)                 | 7,798,609         | 2,500,000        |
| Trade creditors                       | 18,620            | 35,920           |
| Hire purchase                         | 2,477             | 4,510            |
| Other creditors                       | 11,518            | 35,440           |
| Corporation tax                       | 259,815           | -                |
| Other taxes and social security costs | 77,273            | 4,613            |
| Accruals and deferred income          | <u>256,745</u>    | <u>173,288</u>   |
|                                       | <b>14,008,672</b> | <b>7,528,592</b> |



**RIDGEFORD PROPERTIES LIMITED**  
**NOTES TO THE ACCOUNTS (continued)**  
**YEAR ENDED 31 MARCH 2000**

**8. CREDITORS: amounts falling due after one year**

|                                | 2000          | 1999             |
|--------------------------------|---------------|------------------|
|                                | £             | £                |
| Amounts owed to parent company | -             | 99,900           |
| Other loans (secured)          | -             | 5,968,019        |
| Hire purchase                  | <u>19,484</u> | <u>3,344</u>     |
|                                | <u>19,484</u> | <u>6,071,263</u> |

**9. CALLED UP SHARE CAPITAL**

**Authorised**

100 Ordinary shares of £1 each

|            |            |
|------------|------------|
| <u>100</u> | <u>100</u> |
|------------|------------|

**Allotted, called up and fully paid**

100 Ordinary shares of £1 each

|            |            |
|------------|------------|
| <u>100</u> | <u>100</u> |
|------------|------------|

**10. RELATED PARTIES**

Astor Investments Limited, a company registered in the British Virgin Islands, is the parent company of Ridgeford Properties Limited.

Ridgeford Properties Management Limited is a wholly owned subsidiary of Ridgeford Properties Limited. Ridgeford Properties Management Limited was incorporated on 7 September 1999, and remained dormant during the period.