
BRIDE PARKS OXFORD LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2004



RAWLINSON & HUNTER

Chartered Accountants
Eagle House 110 Jermyn Street London SW1Y 6RH

BRIDE PARKS OXFORD LIMITED

COMPANY INFORMATION

DIRECTORS	M J Morrison C R Banyard (resigned 4 March 2004) M Hamilton J N Burns
SECRETARY	M J Morrison
COMPANY NUMBER	3593019
REGISTERED OFFICE	104 Park Street London W1K 6NF
AUDITORS	Rawlinson & Hunter Chartered Accountants & Registered Auditor Eagle House 110 Jermyn Street London SW1Y 6RH

BRIDE PARKS OXFORD LIMITED

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DIRECTORS' REPORT
For the year ended 30 June 2004

The directors present their report and the financial statements for the year ended 30 June 2004.

STATEMENT OF 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.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was that of property development.

RESULTS AND REVIEW OF BUSINESS

The results for the year are set out on page 4. During the year the company continued to undertake engineering works on site for the stabilisation of the quarry walls.

The directors consider the results for the year and the current state of affairs of the company to be satisfactory.

The directors are unable to and do not recommend the payment of a dividend.

DIRECTORS

The directors who served during the year were:

M J Morrison
C R Banyard (resigned 4 March 2004)
M Hamilton
J N Burns

No director had any interest in the shares of the company at any time during the year.

AUDITORS

The auditors, Rawlinson & Hunter, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

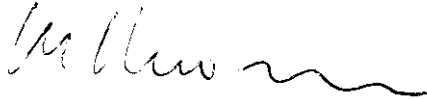
BRIDE PARKS OXFORD LIMITED

DIRECTORS' REPORT
For the year ended 30 June 2004

SMALL COMPANY EXEMPTIONS

In preparing this report, the directors have taken advantage of the special exemptions applicable to small companies under section 246 of the Companies Act 1985.

This report was approved by the board on 13 April 05 and signed on its behalf.



Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BRIDE PARKS OXFORD LIMITED

We have audited the financial statements of Bride Parks Oxford Limited for the year ended 30 June 2004 which comprise the Profit and Loss Account and the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention 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 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.

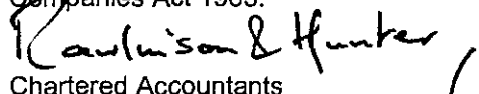
BASIS OF AUDIT OPINION

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 June 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants
Registered Auditor

Eagle House
110 Jermyn Street
London
SW1Y 6RH

20 April 2005

BRIDE PARKS OXFORD LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 30 June 2004

	Note	2004 £	2003 £
TURNOVER	1, 2	312,827	324,118
Cost of sales		<u>(226,557)</u>	<u>(256,004)</u>
GROSS PROFIT		86,270	68,114
Administrative expenses		<u>(73,374)</u>	<u>(65,246)</u>
OPERATING PROFIT	3	12,896	2,868
Rent receivable		3,500	4,066
Interest receivable		342	408
Interest payable	4	<u>(391,868)</u>	<u>(304,948)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(375,130)	(297,606)
TAX ON LOSS ON ORDINARY ACTIVITIES	5	<u>-</u>	<u>(189)</u>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	11	<u>£ (375,130)</u>	<u>£ (297,795)</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2004 or 2003 other than those included in the profit and loss account.

The notes on pages 6 to 10 form part of these financial statements.


BRIDE PARKS OXFORD LIMITED

BALANCE SHEET
As at 30 June 2004

	Note	2004 £	2003 £
CURRENT ASSETS			
Stocks	6	4,685,116	4,053,428
Debtors	7	88,662	46,544
Cash at bank		6,675	4,186
		<u>4,780,453</u>	<u>4,104,158</u>
CREDITORS: amounts falling due within one year	8	<u>(488,512)</u>	<u>(430,637)</u>
NET CURRENT ASSETS		<u>4,291,941</u>	<u>3,673,521</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,291,941</u>	<u>3,673,521</u>
CREDITORS: amounts falling due after more than one year	9	<u>(5,460,235)</u>	<u>(4,466,685)</u>
NET LIABILITIES		<u>£ (1,168,294)</u>	<u>£ (793,164)</u>
CAPITAL AND RESERVES			
Called up share capital	10	1,000	1,000
Profit and loss account	11	(1,169,294)	(794,164)
SHAREHOLDERS' FUNDS - All Equity	12	<u>£ (1,168,294)</u>	<u>£ (793,164)</u>

In preparing these financial statements, the directors have taken advantage of the special exemptions applicable to small companies under section 246 and schedule 8 of the Companies Act 1985.

The financial statements were approved by the board on 13 April 05 and signed on its behalf.



Director

The notes on pages 6 to 10 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2004

1. ACCOUNTING POLICIES**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and on a going concern basis which assumes the continued support of the immediate parent company and Bride Parks Industrial Limited. The directors have received confirmation from both of these companies of their intention to provide such financial support as is necessary for the company to continue in operation for the foreseeable future and at least the next 12 months. Accordingly they consider the going concern basis to be appropriate.

They are also prepared in accordance with applicable United Kingdom accounting standards.

1.2 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.3 Turnover

Turnover represents the amounts invoiced, excluding value added tax, in respect of natural material waste disposed of on site in the period.

1.4 Stocks

Stocks are stated at the lower of cost and net open market value.

Net open market value is based on the estimated open market value of the land assuming a willing vendor and an independent buyer, less any further development or enhancement costs required and any costs of disposal.

1.5 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

2. TURNOVER

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2004	2003
	£	£
Auditors' remuneration	-	4,600

Auditors remuneration amounting to £4,600 has been borne on behalf of the company by Bride Parks Group Limited.

During the year, no director received any emoluments (2003 - £nil).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2004

4. INTEREST PAYABLE

	2004 £	2003 £
On bank loans	127,188	194,948
On other loans	264,680	110,000
	<u>£ 391,868</u>	<u>£ 304,948</u>

5. TAXATION

	2004 £	2003 £
Adjustments in respect of prior periods	£ -	£ 189
	<u>£ -</u>	<u>£ 189</u>

Factors affecting tax charge for year

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

	2004 £	2003 £
Loss on ordinary activities before tax	(375,130)	(297,606)
Loss on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 30% (2003 - 30%)	(112,539)	(89,282)
Effects of:		
Expenses not deductible for tax purposes	128	12
Group relief surrender	38,983	-
Tax losses carried forward	73,428	89,270
Adjustments to tax charge in respect of prior periods	-	189
Current tax charge for year (see note above)	<u>£ -</u>	<u>£ 189</u>

Factors that may affect future tax charges

The company has taxation losses of approximately £1,040,000 (2003 - £796,000) available for offset against future taxable trading profits.

6. STOCKS

	2004 £	2003 £
Freehold Development Property	<u>£ 4,685,116</u>	<u>£ 4,053,428</u>

BRIDE PARKS OXFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2004

7. DEBTORS

	2004 £	2003 £
Due within one year		
Trade debtors	12,499	15,536
Other debtors	59,663	2,986
Prepayments and accrued income	16,500	28,022
	<u>£ 88,662</u>	<u>£ 46,544</u>

8. CREDITORS:
Amounts falling due within one year

	2004 £	2003 £
Trade creditors	66,588	62,682
Amounts owed to group undertakings	33,218	222,501
Amounts owed to related companies	48,811	67,916
Accruals and deferred income	339,895	77,538
	<u>£ 488,512</u>	<u>£ 430,637</u>

Amounts owed to group undertakings comprise £33,218 (2003 - £24,618) due to Bride Parks Group Limited, the immediate parent undertaking and £nil (2003 - £197,883) due to Bride Parks Infrastructure Limited which was owned 100% by Bride Parks Group Limited.

Amounts owed to related companies comprise £48,811 (2003 - £35,416) due to Yuills Limited, a subsidiary undertaking of the ultimate controlling party, and £nil (2003 - £32,500) due to Bride Parks Industrial Limited.

Accruals include accrued recharged expenditure due to Yuills Limited, a subsidiary undertaking of the ultimate controlling party, of £22,572 (2003 - £nil) and Bride Parks Group Limited of £250,000 (2003 - £nil)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2004

9. CREDITORS:
Amounts falling due after more than one year

	2004	2003
	£	£
Bank loan	-	3,250,000
Other loan	4,978,870	1,000,000
Accruals	481,365	216,685
	<u>£ 5,460,235</u>	<u>£ 4,466,685</u>

The other loan is from Bride Parks Industrial Limited, the immediate parent company, and is unsecured with interest charged at 11% per annum. The interest payable to date is represented by the long term accrual as the lender has confirmed that payment of the interest will not be demanded until after 30 June 2005.

Bride Parks Industrial Limited have confirmed that settlement of the other loan will not be demanded unless and until a major part of the site held in stock is sold.

The bank loan was secured by a first charge over the freehold property of the company (included in stock) and a charge over its other assets. Interest was charged at 1.75% above the bank's base rate but was subject to a minimum level of 5.75% per annum.

10. SHARE CAPITAL

	2004	2003
	£	£
Authorised, allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>£ 1,000</u>	<u>£ 1,000</u>

11. RESERVES

Profit and loss account	£
At 1 July 2003	(794,164)
Loss for the year	(375,130)
	<u>£(1,169,294)</u>
At 30 June 2004	

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2004

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	2004 £	2003 £
Loss for the year	(375,130)	(297,795)
	<u>(375,130)</u>	<u>(297,795)</u>
Opening shareholders funds	(793,164)	(495,369)
Closing shareholders funds	<u><u>£(1,168,294)</u></u>	<u><u>£ (793,164)</u></u>

13. RELATED PARTY TRANSACTIONS

Balances with related parties are shown in the debtors and creditors notes.

Consultancy fees of £13,500 were charged by Champions Management Services Limited, a company controlled by C Banyard, a former director. The company was charged a management fee of £22,572 by Yuills Limited, a subsidiary undertaking of the ultimate controlling party.

The company was charged interest and guarantee fees in respect of the loan from Bride Parks Industrial Limited as detailed below.

	2004 £	2003 £
Interest	264,680	110,000
Guarantee fees	<u>21,370</u>	<u>32,500</u>

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is Bride Parks Group Limited, a company incorporated in England and Wales.

At the year end the ultimate parent undertaking was Islay Investments Limited, a company incorporated in Bermuda. The directors regard the board of Islay Investments Limited as the controlling party. Since the year end Islay Investments Limited has changed its name to Glenfinnan Properties Limited.