

Companies House copy

Company No. 4159933

SKELTON HOLDINGS LIMITED

REPORT AND ACCOUNTS

30TH JUNE 2002



RAWLINSON & HUNTER

CHARTERED ACCOUNTANTS

EAGLE HOUSE 110 JERMYN STREET LONDON SW1Y 6RH

SKELTON HOLDINGS LIMITED

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SKELTON HOLDINGS LIMITED**COMPANY INFORMATION**

DIRECTORS: M.J. Morrison (Chairman)
D.J.B. Moss (Managing)
M. Hamilton

SECRETARY: E Dawson-Damer

REGISTERED OFFICE: 104 Park Street
London
W1K 6NF

AUDITORS: Rawlinson & Hunter
Eagle House
110 Jermyn Street
London
SW1Y 6RH

SKELTON HOLDINGS LIMITED

REPORT OF THE DIRECTORS

The directors submit their first report and the audited accounts of the company for the period ended 30th June 2002.

INCORPORATION AND CHANGE OF NAME

The company was incorporated as Law 2266 Limited on 14th February 2001.

On 20th March 2001 the company changed its name to Skelton Holdings Limited.

ISSUE OF SHARES

On incorporation one ordinary share of £1 was issued at par to the subscriber. On 20th March 2001, one ordinary share of £1 was issued at par, on 21st March 2001, 248 ordinary shares of £1 were issued at par and on 30th March 2001 a further 250 ordinary shares of £1 each were issued at par.

PRINCIPAL ACTIVITY

The principal activity of the company during the period was that of a holding company for subsidiaries involved in property development and investment.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 accounts, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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. 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.

RESULTS AND REVIEW OF THE BUSINESS

The results for the period are set out on page 5. The directors expect that the company will continue to act as the dormant holding company to the Skelton Group in the coming year.

SKELTON HOLDINGS LIMITED
REPORT OF THE DIRECTORS (continued)

DIRECTORS

The names of the current directors are stated on page 1. The directors who served during the period were as follows:-

	<u>Appointed</u>	<u>Resigned</u>
Huntsmoor Limited	14.2.01	20.3.01
Huntsmoor Nominees Limited	14.2.01	20.3.01
C.R. Banyard	20.3.01	2.7.02
D.J.B. Moss	20.3.01	-
M. Hamilton	30.3.01	-
M.J. Morrison	30.3.01	-

The directors who held an interest in the shares of the company are as follows:-

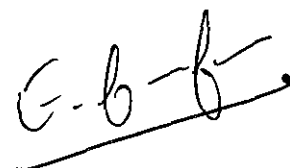
	<u>Ordinary shares of £1 each</u>	
	<u>30th June 2002</u>	<u>14th February 2001</u>
Huntsmoor Nominees Limited	-	2
D.J.B. Moss	250	-

AUDITORS

Rawlinson & Hunter were appointed the first auditors to the company and a resolution to re-appoint them will be proposed at the Annual General Meeting.

By Order of the Board

29 APR 2003



Secretary

RAWLINSON & HUNTER

CHARTERED ACCOUNTANTS

EAGLE HOUSE 110 JERMYN STREET LONDON SW1Y 6RH

INDEPENDENT AUDITORS REPORT

TO THE SHAREHOLDERS OF

SKELTON HOLDINGS LIMITED

We have audited the financial statements of Skelton Holdings Limited for the period ended 30th June 2002 which comprise the Company 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 auditors' 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities contained in the Report of the Directors.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and the 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 Report of the Directors 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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Report of the Directors. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 30th June 2002 and have been properly prepared in accordance with the Companies Act 1985.

29 APR 2003


Registered Auditor

SKELTON HOLDINGS LIMITED

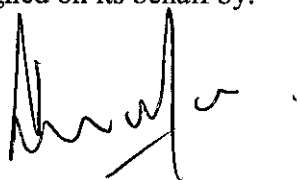
BALANCE SHEET

30TH JUNE 2002

	<u>Notes</u>	£	<u>2002</u>	£
FIXED ASSETS				
Investments	4			2
CURRENT ASSETS				
Debtors	5			498
TOTAL ASSETS LESS CURRENT LIABILITIES				<hr/> £ 500 <hr/>
CAPITAL AND RESERVES				
Called up share capital	6			500
SHAREHOLDERS' FUNDS	7			<hr/> £ 500 <hr/>

Approved by the Board on
and signed on its behalf by:

29 APR 2003




SKELTON HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

30TH JUNE 2002

1. ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The accounts are prepared using the historical cost basis of accounting.

Consolidated Accounts

The company is entitled to exemption, under section 248 of the Companies Act 1985, from preparing group accounts.

Investments

All investments are recorded at cost.

2. PROFIT AND LOSS ACCOUNT

The company has not entered into any transactions required to be reflected in the profit and loss account of the company and accordingly, no profit and loss account has been prepared.

3. EMPLOYEES AND DIRECTORS

There were no employees of the company other than the directors, none of whom received any remuneration during the period.

4. INVESTMENTS

2002

Additions and as at 30th June 2002

£ 2

During the period, Skelton Holdings Limited acquired 2 Ordinary shares of £1 each, representing 100% of the issued ordinary share capital in Skelton Group Limited. The consolidated profit for the year to 30th June 2002 amounted to £113,862 and consolidated shareholders' funds was £6,592.

Skelton Group Limited has interests in the following companies:-

<u>Name of undertaking</u>	<u>Country of incorporation</u>	<u>Principal business activity</u>	<u>Proportion of total shares held</u>
Skelton Chippenham Limited	UK	Property trading	100%
Skelton (L&C Investments) Limited	UK	Property trading	100%
Skelton Watford Limited	UK	Property service company	100%
Skelton Projects (Stoke) Limited	UK	Dormant property trading	100%

The results and net assets of the above companies are consolidated in the accounts of Skelton Group Limited.

The results of two other companies, Bride Parks Oxford Limited and Bride Parks Infrastructure Limited have not been consolidated in the accounts of Skelton Group Limited. However, they were legally owned from 12th July 2001 and the start of the year respectively until they were disposed of on 30th June 2002, the last day of the accounting year.

The accounting treatment uses the concept of substance over legal form per Financial Reporting Standard 5.

SKELTON HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

30TH JUNE 2002

5. DEBTORS

Due from group undertaking	£ 498
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6. CALLED UP SHARE CAPITAL

Authorised

1,000 Ordinary shares of £1 each	£ 1,000
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Allotted and called up

500 Ordinary shares of £1 each	£ 500
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On incorporation one ordinary share of £1 was issued at par to the subscriber. On 20th March 2001, one ordinary share of £1 was issued at par, on 21st March 2001, 248 ordinary shares of £1 were issued at par and on 30th March 2001 a further 250 ordinary shares of £1 each were issued at par.

7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

2002
£

Shares issued in period	500
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Closing shareholders' funds	£ 500
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8. ULTIMATE CONTROLLING PARTY

The issued share capital of Skelton Holdings Limited is held 50% by Islay Investments Limited (incorporated in Bermuda) and 50% by D.J.B. Moss, the managing director.