

Registered number: 4159933

Companies House copy

SKELTON HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003



RAWLINSON & HUNTER

Chartered Accountants
Eagle House 110 Jermyn Street London SW1Y 6RH

SKELTON HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS	M J Morrison (Chairman) D J B Moss (Managing) M Hamilton C R Banyard (resigned 2/7/02)
SECRETARY	E Dawson-Damer
COMPANY NUMBER	4159933
REGISTERED OFFICE	104 Park Street London W1K 6NF
AUDITORS	Rawlinson & Hunter Chartered Accountants & Registered Auditor Eagle House 110 Jermyn Street London SW1Y 6RH

SKELTON HOLDINGS LIMITED

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SKELTON HOLDINGS LIMITED

DIRECTORS' REPORT For the year ended 30 June 2003

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

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 ACTIVITIES AND REVIEW OF BUSINESS

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

The directors expect that the company will continue to act as the dormant holding company to the Skelton Group in the coming year.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of £1 each	
	<u>30/6/03</u>	<u>1/7/02</u>
M J Morrison (Chairman)	-	-
D J B Moss (Managing)	250	250 *
M Hamilton	-	-
C R Banyard (resigned 2/7/02)	-	-

(* held on date of appointment)

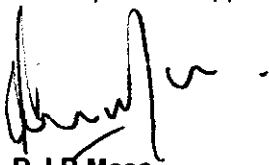
SKELTON HOLDINGS LIMITED

DIRECTORS' REPORT
For the year ended 30 June 2003

AUDITORS

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

This report was approved by the board on 22 October 2003 and signed on its behalf.



D J B Moss
Director

SKELTON HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SKELTON HOLDINGS LIMITED

We have audited the financial statements of Skelton Holdings Limited for the year ended 30 June 2003 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 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.

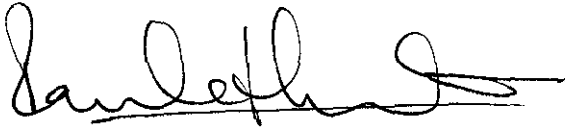
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

SKELTON HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SKELTON HOLDINGS LIMITED

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 have been properly prepared in accordance with the Companies Act 1985.



Rawlinson & Hunter
Chartered Accountants
Registered Auditor

Eagle House
110 Jermyn Street
London
SW1Y 6RH

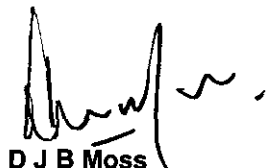
22 October 2003

SKELTON HOLDINGS LIMITED

BALANCE SHEET
As at 30 June 2003

	Note	2003 £	2002 £
FIXED ASSETS			
Investments	4	2	2
CURRENT ASSETS			
Debtors	5	498	498
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 500</u>	<u>£ 500</u>
CAPITAL AND RESERVES			
Called up share capital	6	500	500
SHAREHOLDERS' FUNDS - All Equity	7	<u>£ 500</u>	<u>£ 500</u>

The financial statements were approved by the board on 22 October 2003 and signed on its behalf.



D J B Moss
Director

The notes on pages 6 to 7 form part of these financial statements.

SKELTON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2003

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention.

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 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 year.

4. FIXED ASSET INVESTMENTS

Shares in group undertakings

Cost

At 1 July 2002 and 30 June 2003

£ 2

The investment relates to 50,000 (2002 - 2) Ordinary shares of £1 each, representing 100% of the issued share ordinary share capital in Skelton Group Limited. The consolidated profit for the year to 30th June 2003 amounted to £427,457 (2002 - £113,862) and consolidated shareholders' funds was £11,324,797 (2002 - £6,592).

The following were 100% UK subsidiary undertakings of the Skelton Group Limited:

Skelton Chippenham Limited	Property trading
Skelton (L&C Investments) Limited	Property trading
Skelton Watford Limited	Property service company
Skelton Projects (Stoke) Limited	Dormant property trading

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

SKELTON HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2003

5. DEBTORS

	2003 £	2002 £
Due within one year		
Amounts owed by group undertakings	£ 498	£ 498

6. SHARE CAPITAL

	2003 £	2002 £
Authorised		
1,000 Ordinary shares of £1 each	£ 1,000	£ 1,000
Allotted, called up and fully paid		
500 Ordinary shares of £1 each	£ 500	£ 500

7. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2003 £	2002 £
Profit for the year	-	-
Shares issued during the year	-	500
	-	500
Opening shareholders' funds	500	-
Closing shareholders' funds	£ 500	£ 500

8. 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.