

Geldart Properties (Appleton) Limited
Financial Statements
For
The Year Ended 31 December 2005

Company Registration Number 4301298



BEEVER AND STRUTHERS
Chartered Accountants & Registered Auditors
St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

Geldart Properties (Appleton) Limited

Financial Statements

Year Ended 31 December 2005

Contents	Pages
Officers and Professional Advisers	1
The Director's Report	2 to 3
Independent Auditor's Report to the Shareholder	4 to 5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8 to 11
The Following Page Does Not Form Part of the Financial Statements	
Detailed Profit and Loss Account	13

Geldart Properties (Appleton) Limited

Officers and Professional Advisers

The Director	J P Cosgrave
Company Secretary	Halliwells Secretaries Limited
Registered Office	St James's Court Brown Street Manchester M2 2JF
Auditor	Beever and Struthers Chartered Accountants & Registered Auditors St. George's House 215 - 219 Chester Road Manchester M15 4JE
Bankers	Yorkshire Bank PLC The Chancery Spring Gardens Manchester M2 1YB

Geldart Properties (Appleton) Limited

The Director's Report

Year Ended 31 December 2005

The director presents his report and the financial statements of the company for the year ended 31 December 2005.

Principal Activities and Business Review

The principal activity of the company during the period was that of land and property developers.

The director regards the state of the company's affairs to be satisfactory.

Results and Dividends

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The director has not recommended a dividend.

Director

The director who served the company during the year was as follows:

J P Cosgrave

The company is a wholly owned subsidiary and the interests of the group director are disclosed in the financial statements of the parent company.

Director's Responsibilities

The director is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the director 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 year. In preparing those financial statements, the director is required to:

- select suitable accounting policies, as described on page 8, and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

Geldart Properties (Appleton) Limited

The Director's Report *(continued)*

Year Ended 31 December 2005

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

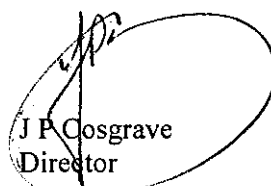
The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. The director is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution to re-appoint Beever and Struthers as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
St James's Court
Brown Street
Manchester
M2 2JF

Signed by


J P Cosgrave
Director

Approved by the director on 30 October 2006

Geldart Properties (Appleton) Limited
Independent Auditor's Report to the Shareholder of
Geldart Properties (Appleton) Limited
Year Ended 31 December 2005

We have audited the financial statements of Geldart Properties (Appleton) Limited for the year ended 31 December 2005 on pages 6 to 11 which have been prepared on the basis of the accounting policies set out on page 8.

This report is made solely to the company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Director and Auditor

As described in the Statement of Director's Responsibilities the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Director's 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 director's remuneration and other transactions is not disclosed.

We read the Director's 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 International Standards on Auditing (UK and Ireland) 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 director 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.

Geldart Properties (Appleton) Limited

Independent Auditor's Report to the Shareholder of Geldart Properties (Appleton) Limited *(continued)*

Year Ended 31 December 2005

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.

The financial statements have been prepared on the going concern basis. The validity of which depends upon the continued support of the company's bankers as explained in note 1 to the financial statements. Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its loss for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

30 October 2006

BEEVER AND STRUTHERS
Chartered Accountants
& Registered Auditors

Beever and Struthers

Geldart Properties (Appleton) Limited

Profit and Loss Account

Year Ended 31 December 2005

	Note	2005 £	2004 £
Turnover		—	—
Administrative expenses		<u>148,659</u>	<u>240,063</u>
Operating loss	2	(148,659)	(240,063)
Interest payable and similar charges	4	<u>305</u>	<u>2</u>
Loss on ordinary activities before taxation		(148,964)	(240,065)
Tax on loss on ordinary activities		—	—
Loss for the financial year		<u>(148,964)</u>	<u>(240,065)</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 11 form part of these financial statements.

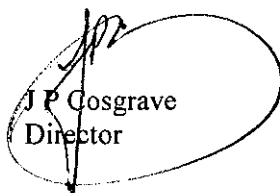
Geldart Properties (Appleton) Limited

Balance Sheet

31 December 2005

	Note	2005 £	2004 £
Current assets			
Stocks	5	1,266,135	1,134,262
Debtors	6	2,644	2,644
Cash at bank		862	21,967
		<u>1,269,641</u>	<u>1,158,873</u>
Creditors: Amounts Falling due Within One Year	7	<u>2,212,983</u>	<u>1,953,251</u>
Net current liabilities		<u>(943,342)</u>	<u>(794,378)</u>
Total assets less current liabilities		<u>(943,342)</u>	<u>(794,378)</u>
Capital and reserves			
Called-up equity share capital	9	2	2
Profit and loss account	10	<u>(943,344)</u>	<u>(794,380)</u>
Deficit	11	<u>(943,342)</u>	<u>(794,378)</u>

These financial statements were approved and signed by the director on 30 October 2006.


J P Gosgrave
Director

The notes on pages 8 to 11 form part of these financial statements.

Geldart Properties (Appleton) Limited

Notes to the Financial Statements

Year Ended 31 December 2005

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

The financial statements have been prepared on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future. Accordingly the assets are recognised and measured on the basis that the company expects to recover the recorded amounts in the normal course of business and the liabilities are recognised and measured on the basis that they will be discharged in the normal course of business.

The validity of this assumption depends upon the continued support of the company's bankers.

In preparing the financial statements the director has taken into account all information about the foreseeable future that could reasonably be expected to be available. On this basis the director considers that it is appropriate to prepare the financial statements on the going concern basis.

Cash Flow Statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Work in Progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Geldart Properties (Appleton) Limited

Notes to the Financial Statements

Year Ended 31 December 2005

2. Operating Loss

Operating loss is stated after charging:

	2005 £	2004 £
Director's emoluments	—	—
Auditor's remuneration - as auditor	<u>1,500</u>	<u>1,200</u>

3. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

	2005 No	2004 No
Number of administrative staff	<u>1</u>	<u>1</u>

No salaries or wages have been paid to employees, including the director, during the year.

4. Interest Payable and Similar Charges

	2005 £	2004 £
Interest payable on bank borrowing	<u>305</u>	<u>2</u>

5. Stocks

	2005 £	2004 £
Work in progress	<u>1,266,135</u>	<u>1,134,262</u>

6. Debtors

	2005 £	2004 £
Amounts owed by group undertakings	<u>2,644</u>	<u>2,644</u>

Geldart Properties (Appleton) Limited

Notes to the Financial Statements

Year Ended 31 December 2005

7. Creditors: Amounts Falling due Within One Year

	2005	2004
	£	£
Bank loans and overdrafts	1,644,958	1,402,921
Amounts owed to group undertakings	322,525	305,330
Other creditors	<u>241,000</u>	<u>241,000</u>
	2,208,483	1,949,251
Accruals and deferred income	<u>4,500</u>	<u>4,000</u>
	<u>2,212,983</u>	<u>1,953,251</u>

The bank loan is secured by way of a charge over the land and buildings which form part of the company's work in progress and a fixed and floating charge over the assets of the company.

8. Related Party Transactions

The director has taken advantage of the exemption in Financial Reporting Standard No 8 from disclosing related party transactions in the financial statements on the grounds that the company is a wholly owned subsidiary and the ultimate parent company prepares consolidated financial statements which are publicly available.

9. Share Capital

Authorised share capital:

	2005	2004
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	2	2	2	2

10. Profit and Loss Account

	2005	2004
	£	£
Balance brought forward	(794,380)	(554,315)
Loss for the financial year	<u>(148,964)</u>	<u>(240,065)</u>
Balance carried forward	<u>(943,344)</u>	<u>(794,380)</u>

Geldart Properties (Appleton) Limited

Notes to the Financial Statements

Year Ended 31 December 2005

11. Reconciliation of Movements in Shareholder's Funds

	2005	2004
	£	£
Loss for the financial year	(148,964)	(240,065)
Opening shareholder's deficit	(794,378)	(554,313)
Closing shareholder's deficit	<u>(943,342)</u>	<u>(794,378)</u>

12. Ultimate Parent Company and Controlling Party

The ultimate holding company is Geldart Properties plc, a company incorporated in Great Britain. Geldart Properties plc prepares consolidated financial statements.

In the opinion of the director, the company is controlled by its 100% shareholder Mr J P Cosgrave.