

Pacemaker Developments Limited
ANNUAL REPORT AND FINANCIAL STATEMENTS
For the year ended 28 February 2003

Registered No: 680921



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Pacemaker Developments Limited
ANNUAL REPORT AND FINANCIAL STATEMENTS
For the period ended 28 February 2003

	Page
Report of the Directors	1
Independent Auditors' Report	3
Profit and Loss Account	4
Balance Sheet	5
Notes to the Financial Statements	6

Pacemaker Developments Limited

REPORT OF THE DIRECTORS

The directors present their annual report and the audited financial statements for the year ended 28 February 2003.

Principal activities and business review

The principal activity of the company is that of property development. The directors anticipate no significant change in the level of trading during the forthcoming year.

Change of registered office

On 8 October 2002 the company changed its registered office to Westbury House, Lansdown Road, Cheltenham GL50 2WH, following the acquisition of the company by Westbury plc on 17 June 2002.

Results and dividends

The profit on ordinary activities for the year, after taxation, amounted to £3,257 (2002: £24,277).

The directors do not recommend payment of a dividend (2002: £nil).

Directors and their interests

The directors who served during the year were as follows:

M C Donohue	(appointed 17 June 2002)
J H Bennett	(appointed 17 June 2002)
N T Fee	(appointed 17 June 2002)
C J Cole	(appointed 17 June 2002)
S D Mantell	(resigned 30 September 2002)
N J Borrell	(resigned 30 September 2002)
R N Holmes	(resigned 17 July 2002)

All directors in office at 28 February 2003 are directors of the ultimate parent undertaking, Westbury plc. Their interests in group companies are disclosed in the financial statements of the group, obtainable from Westbury House, Lansdown Road, Cheltenham, GL50 2WH.

On 30 September 2002 S D Mantell resigned as Company Secretary and C N Chandler was appointed.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for that year. 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; and state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors confirm that they have complied with the above requirements in preparing the financial statements. The financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records that 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.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud or any other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Pacemaker Developments Limited
REPORT OF THE DIRECTORS (Continued)

Auditors

During the year KPMG resigned as auditors and PricewaterhouseCoopers were appointed by the directors to fill the casual vacancy arising. Following the conversion of the auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) as from 1 January 2003, PricewaterhouseCoopers resigned on 30 January 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP as auditors. A resolution to re-appoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the forthcoming Annual General Meeting.

By order of the Board,



C N Chandler
Secretary

Westbury House, Lansdown Road,
Cheltenham, Gloucestershire
GL50 2WH

12 December 2003

INDEPENDENT AUDITORS' REPORT

To the Members of Pacemaker Developments Limited

We have audited the financial statements on pages 4 to 9.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

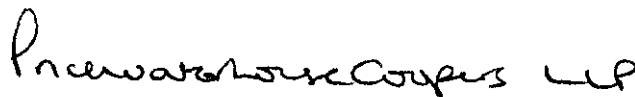
Basis of audit opinion

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 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 at 28 February 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

London

12 December 2003

Pacemaker Developments Limited
PROFIT AND LOSS ACCOUNT
For the year ended 28 February 2003

	Notes	2003 £	2002 £
TURNOVER		-	-
Cost of sales		-	-
OPERATING PROFIT		-	-
Other operating income		9,728	32,291
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	9,728	32,291
Tax on profit on ordinary activities	4	(6,471)	(8,014)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION, BEING PROFIT FOR THE FINANCIAL YEAR		3,257	24,277
Dividends		-	-
RETAINED PROFIT FOR THE YEAR	9	3,257	24,277

A statement of total recognised gains and losses is not provided as there were no gains or losses other than the profit for the financial year.

There is no difference between the profit on ordinary activities before taxation and the retained profit for each financial year stated above and their historical cost equivalent.

Pacemaker Developments Limited

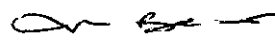
BALANCE SHEET

At 28 February 2003

	Notes	2003 £	2002 £
CURRENT ASSETS			
Stocks	5	6,259,563	5,682,875
Debtors	6	-	80,138
		<u>6,259,563</u>	<u>5,763,013</u>
CREDITORS: amounts falling due within one year	7	<u>(6,163,279)</u>	<u>(5,669,986)</u>
NET ASSETS		<u>96,284</u>	<u>93,027</u>
CAPITAL AND RESERVES			
Called-up share capital	8	100	100
Profit and loss account	9	96,184	92,927
EQUITY SHAREHOLDERS' FUNDS	10	<u>96,284</u>	<u>93,027</u>

The financial statements on pages 4 to 9 were approved by the board of directors on 12 December 2003 and were signed on its behalf by:


M C Donohue
Director


J H Bennett
Director

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies is set out below. These policies have been applied consistently.

As a wholly owned subsidiary of Westbury plc, the company has taken advantage of the exemption granted by FRS1 not to present a cash flow statement.

Basis of accounting

The financial statements have been prepared under the historical cost convention, and are made up to the nearest Friday to 28 February.

Turnover

Turnover for the year consists of the contract price from legally completed sales of new properties.

Stocks

Stocks, which comprise land held for development, work in progress and finished and second-hand houses, are stated at the lower of cost and net realisable value. Cost includes an appropriate proportion of direct overheads but excludes interest charges.

Related party transactions

The company had no transactions with related parties, other than transactions with other wholly owned subsidiary undertakings of Westbury plc, which are exempt from the disclosure provisions of FRS8.

2. EMPLOYEE INFORMATION

No persons were employed by the company during the year other than the 7 directors of the company. The directors received no emoluments from this company during the year. The emoluments of the directors in office at 28 February 2003, all of whom are directors of Westbury plc, are disclosed in that company's financial statements. All other staff duties were carried out by employees of Westbury Homes (Holding) Limited, a fellow subsidiary company of the ultimate parent undertaking Westbury plc.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The auditors' remuneration has been borne by fellow group company, Westbury Homes (Holdings) Limited.

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of charge in year	2003 £	2002 £
Current tax:		
UK corporation tax on profits of the year	-	8,014
Adjustments in respect of previous years	3,553	-
	<u>3,553</u>	<u>8,014</u>
Group relief payable	2,918	-
	<u>6,471</u>	<u>8,014</u>

(b) 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:

	2003 £	2002 £
Profit on ordinary activities before tax	<u>9,728</u>	<u>32,291</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	2,918	9,687
Effects of:		
Marginal relief	-	(1,673)
Adjustments to tax charge in respect of previous years	3,553	-
Current tax charge for year (Note 4(a))	<u>6,471</u>	<u>8,014</u>

(c) Factors that may affect future tax charges

There are no known factors likely to materially affect the tax charge for future years.

5. STOCKS

	2003 £	2002 £
Land held for development	6,259,563	5,288,588
Work in progress	-	394,287
	<u>6,259,563</u>	<u>5,682,875</u>

Pacemaker Developments Limited
NOTES TO THE FINANCIAL STATEMENTS (Continued)
At 28 February 2003

6. DEBTORS

	2003 £	2002 £
Amounts owed by group undertakings	-	80,138

7. CREDITORS

	2003 £	2002 £
Amounts falling due within one year:		
Trade creditors	90,000	-
Amounts owed to group undertakings	6,073,279	5,661,972
Corporation tax	-	8,014
	<u>6,163,279</u>	<u>5,669,986</u>

8. CALLED-UP SHARE CAPITAL

	2003 £	2002 £
Authorised, allotted, called-up and fully paid: 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

9. RESERVES

	Profit and loss account £
At 1 March 2002	92,927
Retained profit for the year	3,257
At 28 February 2003	<u>96,184</u>

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003 £	2002 £
Profit for the financial year	3,257	24,277
Dividends	-	-
Retained profit for the financial year	3,257	24,277
Opening shareholders' funds	93,027	68,750
Closing shareholders' funds	96,284	93,027

11. ULTIMATE PARENT UNDERTAKING

The directors regard Westbury plc, a company registered in England and Wales, as the ultimate parent undertaking. Copies of the parent's consolidated financial statements may be obtained from the Secretary, Westbury House, Lansdown Road, Cheltenham, Gloucestershire, GL50 2WH.

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Head Office 13:11 11/Dec/2003
Multi-Tax Lines Janet Mundy

Batch Ref. JANM0008 Currency ST Sterling (UK)
Document No. 26 PLDI 002769

Taxable Value 0.65 Running VAT 0.00

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02	Z 0.0000%	2.24	0.00
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