

A & J MUCKLOW (ESTATES) LIMITED

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2000



A & J MUCKLOW (ESTATES) LIMITED

DIRECTORS	Albert J Mucklow ACIS Rupert J Mucklow BSc Allan J Mucklow D Bromley ACIS P M Petherbridge
SECRETARY	D Bromley ACIS
REGISTERED OFFICE	Haden Cross Halesowen Road Cradley Heath West Midlands B64 7JB
REGISTERED NUMBER	00757321 England and Wales
AUDITORS	Deloitte & Touche Colmore Gate Colmore Row Birmingham B3 2BN

ANNUAL REPORT AND ACCOUNTS – 30 JUNE 2000

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A & J MUCKLOW (ESTATES) LIMITED

REPORT OF THE DIRECTORS

The Directors submit their Annual Report and the Audited Accounts of the company for the year ended 30 June 2000.

ULTIMATE PARENT COMPANY

The Company is a wholly owned subsidiary undertaking of A & J Mucklow Group plc number 00717658 in England and Wales and that company is the ultimate parent company.

Since consolidated accounts are presented for A & J Mucklow Group plc the accounts of the subsidiary undertaking Belfont Homes (Birmingham) Limited are not consolidated with the accounts now presented.

PRINCIPAL ACTIVITY

The principal activity of the company has been that of builders and developers.

REVIEW OF BUSINESS

No property sales were made during the year. The directors are continuing to look for suitable property development opportunities.

The financial position at 30 June 2000 was satisfactory.

RESULTS AND DIVIDENDS

The only profit income the year was a dividend receivable. A dividend of £474,942 was paid during the year.

DIRECTORS

The Directors who served throughout the year were Messrs Albert J Mucklow, Allan J Mucklow, Rupert J Mucklow, D Bromley and P M Petherbridge.

The interests of the Directors in the Share Capital and Debenture Stocks of the parent company are set out on Page 5.

A & J MUCKLOW (ESTATES) LIMITED
REPORT OF THE DIRECTORS (CONTINUED)

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:

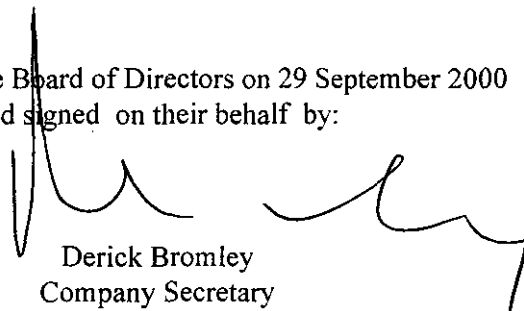
- . select suitable accounting policies and then apply them consistently
- . make judgements and estimates that are reasonable and prudent
- . follow applicable accounting standards subject to any material departures disclosed and explained in the accounts
- . prepare the accounts on the going concern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

The directors are responsible for 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 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.

AUDITORS

Deloitte & Touche will be proposed for re-election in accordance with Section 385 of the Companies Act 1985.

Approved by the Board of Directors on 29 September 2000
and signed on their behalf by:


Derick Bromley
Company Secretary

A & J MUCKLOW (ESTATES) LIMITED

DIRECTORS' SHAREHOLDINGS

Particulars of the directors' shareholdings, as defined by Section 324 of the Companies Act 1985, in the share capital of the parent company, are as follows:

	Ordinary Shares	
	At 30.6.00	At 30.6.99
Albert J Mucklow	3,552,784 (a)	3,554,568 (a)
Rupert J Mucklow	983,717	975,551
Allan J Mucklow	4,012,799	4,012,799
D Bromley	4,816	3,180
P M Petherbridge	2,612,168 (b)	2,612,168 (b)

The holdings marked (a) and (b) included non-beneficial interests in 2,806,994 and 2,598,402 Ordinary shares respectively.

None of the above directors had any beneficial interest in the preference shares or the debentures of the holding company or in the shares of A & J Mucklow (Estates) Limited at either 30 June 1999 or 30 June 2000.

A & J MUCKLOW (ESTATES) LIMITED

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF

A & J MUCKLOW (ESTATES) LIMITED

We have audited the accounts on pages 7 to 11, which have been prepared under the accounting policies set out on page 9.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in page 4, the company's directors are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF 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 accounts. It also includes an assessment of the significant estimates and judgements 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 accounts 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 affairs of the company as at 30 June 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Blair - Touche

Deloitte & Touche
Chartered Accountants and Registered Auditors

Colmore Gate, 2 Colmore Row
Birmingham, B3 2BN

13 February 2001

A & J MUCKLOW (ESTATES) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2000

	Note	2000 £	1999 £
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		-	-
Operating profit		-	-
Dividends receivable		801,300	-
Write down of investment in subsidiary		(426,432)	-
Profit on ordinary activities before taxation		374,868	-
Taxation		-	-
Profit on ordinary activities after taxation		374,868	-
Dividends paid		(474,942)	-
Retained loss	6	(100,074)	-

All activities derive from continuing operations.

There are no recognised gains and losses other than those shown in the profit and loss account. Accordingly no statement of total recognised gains and losses is given.

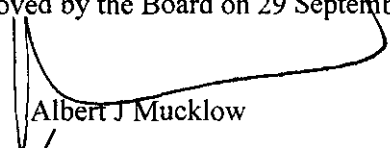
The notes on pages 9 to 11 form an integral part of these accounts

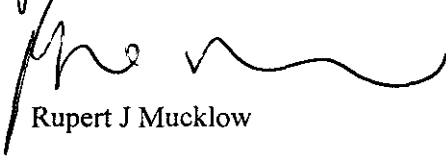
A & J MUCKLOW (ESTATES) LIMITED

BALANCE SHEET AS AT 30 JUNE 2000

	Note	2000 £	1999 £
Fixed assets			
Investments	2	<u>20,006</u>	<u>446,438</u>
Current assets			
Stocks	3	73,267	73,267
Creditors: amounts fall due within one year	4	<u>(92,271)</u>	<u>(418,629)</u>
Net current liabilities		(19,004)	(345,362)
		<u>1,002</u>	<u>101,076</u>
Capital and reserves			
Called up share capital	5	100	100
Profit and loss account	6	902	100,976
Equity shareholders' funds	7	<u>1,002</u>	<u>101,076</u>

Approved by the Board on 29 September 2000


Albert J Mucklow


Rupert J Mucklow

)
)
) Directors
)
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The notes on pages 9 to 11 form an integral part of these accounts

A & J MUCKLOW (ESTATES) LIMITED

NOTES TO THE ACCOUNTS

30 JUNE 2000

1) Accounting policies

(a) Basis

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

The accounts are prepared in compliance with Section 230 and Schedule 4 of the Companies Act 1985.

(b) Stock

Land

Land for an in the course of development is stated at the lower of cost and estimated net realisable value.

(c) Investments

Investments held as fixed assets are stated at cost less any provision for a permanent diminution in value.

(d) Consolidated accounts

Group accounts are not presented. The accounts of this company and its subsidiary undertaking are included in the consolidated accounts of A & J Mucklow Group plc.

2) Investment in subsidiary

The investment is in Belfont Homes (Birmingham) Limited, which is a non-trading company registered in England and Wales. Belfont Homes (Birmingham) Limited has net assets of £20,006 as at 30 June 2000. During the year provision of £426,432 was made against the investment.

A & J MUCKLOW (ESTATES) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

30 JUNE 2000

3) Stocks

	2000	1999
	£	£
Land	<u>73,267</u>	<u>73,267</u>

4) Creditors: Amounts falling due within one year

	2000	1999
	£	£
Trade creditors	35	35
Amounts owed to group undertakings	80,310	406,668
Corporation tax	11,926	11,926
	<u>92,271</u>	<u>418,629</u>

5) Called up share capital

	2000	1999
	£	£
<u>Authorised</u>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<u>Allotted, called up and fully paid</u>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

6) Reserves

	Profit and loss account
	£
As at 1 July 1999	100,976
Retained loss	(100,074)
As at 30 June 2000	<u>902</u>

A & J MUCKLOW (ESTATES) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

30 JUNE 2000

7) Reconciliation of movement in shareholders' funds

	2000	1999
	£	£
Retained loss for the financial year	(100,074)	-
Shareholders' funds at 30 June 1999	101,076	101,076
Shareholders' funds at 30 June 2000	<u>1,002</u>	<u>101,076</u>

8) Contingent liabilities

The company is a wholly owned subsidiary undertaking of A & J Mucklow Group plc and all bank overdrafts of the parent company and its subsidiaries are secured by interlocking cross guarantees. Across the Group companies, there were outstanding liabilities of £Nil (1999: £8,500,000) under these guarantees at the year end.

9) Ultimate parent company and related party disclosures

The ultimate parent company is A & J Mucklow Group plc, a company registered in England and Wales. Copies of the group financial statements of A & J Mucklow Group plc are available from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

As the company is a wholly owned subsidiary it has taken advantage of the exemption under Financial Reporting Standard No 8 "Related party disclosures" not to disclose transactions with other companies in the group.