

SAGETON DEVELOPMENTS LIMITED

REPORT AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 MARCH 2000



REGISTERED NUMBER: 1586921

SAGETON DEVELOPMENTS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

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SAGETON DEVELOPMENTS LIMITED

COMPANY INFORMATION AT 31 MARCH 2000

DIRECTORS

P E de Vos
R R Haughton

SECRETARY

P E de Vos

REGISTERED OFFICE

Southwood
Packhorse Road
Sevenoaks
Kent
TN13 2QP

AUDITORS

Hartley Fowler
Chartered Accountants
Nelson House
58 Wimbledon Hill Road
Wimbledon
London
SW19 7PA

PRINCIPAL BANKERS

Barclays Bank Plc
Pall Mall Corporate Banking Group
Belgravia & Knightsbridge Business Centre
P.O. Box 4578
155 Brompton Road
London
SW3 1XD

SAGETON DEVELOPMENTS LIMITED

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 31 March 2000.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of property development and investment.

REVIEW OF THE BUSINESS

The net profit after providing for taxation amounted to £264,121.

INTRODUCTION OF THE SINGLE EUROPEAN CURRENCY

The company has no transactions with non-UK customers or suppliers and therefore the potential impact of the introduction of the single European currency on the company is negligible.

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

		Number of Shares	
		2000	1999
P E de Vos	Ordinary shares	35	35
R R Haughton	Ordinary shares	50	50

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 as at the end of the financial year 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 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 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.

YEAR 2000 ISSUES

The directors have assessed the possibility of date-recognition issues. We do not envisage any such problems and hence foresee no costs being incurred as a result.

We have also assessed the risks to our business resulting from date-recognition related failures in our significant suppliers, all of whom inform us that they have adequately addressed these problems.

It is impossible to guarantee that no date-recognition problems will remain. However, the directors believe that the company will be able to deal promptly with any failures that might occur.

SAGETON DEVELOPMENTS LIMITED

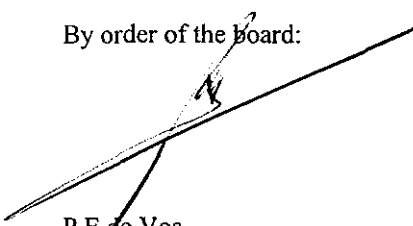
DIRECTORS' REPORT

AUDITORS

The auditors, Hartley Fowler, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board:



P E de Vos
Secretary

Date: 12 December 2000

SAGETON DEVELOPMENTS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the financial statements on pages 5 to 14 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and on the basis of accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the directors' report, the company's directors are responsible for the preparation of financial statements. 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 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 as to whether 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 affairs of the company as at 31 March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Hartley Fowler
Chartered Accountants
Registered Auditor
Nelson House
58 Wimbledon Hill Road
Wimbledon
London
SW19 7PA

Date: 3 January 2001

SAGETON DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2000

	Notes	2000 £	1999 £
TURNOVER		663,000	220,000
Cost of sales		(444,585)	(138,241)
GROSS PROFIT		218,415	81,759
Administrative expenses		43,092	37,065
		261,507	118,824
Other operating income		48,704	55,610
OPERATING PROFIT	2	310,211	174,434
Investment income and interest receivable	4	3,667	-
Interest payable and similar charges	5	(18,219)	(45,934)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		295,659	128,500
Tax on profit on ordinary activities	6	(31,538)	(16,364)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		264,121	112,136
Dividends		(20,000)	-
RETAINED PROFIT FOR THE FINANCIAL YEAR	16	244,121	112,136

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

SAGETON DEVELOPMENTS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2000

	2000	1999
	£	£
Profit for the year after taxation	264,121	112,136
Unrealised movement on revaluation of properties	369,500	-
TOTAL RECOGNISED GAINS RELATING TO THE YEAR	<u>633,621</u>	<u>112,136</u>

The notes on pages 8 to 14 form part of these financial statements.

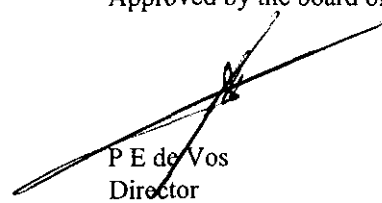
SAGETON DEVELOPMENTS LIMITED

BALANCE SHEET AT 31 MARCH 2000

	Notes	£	2000 £	£	1999 £
FIXED ASSETS					
Tangible assets	8		637,255		396,551
CURRENT ASSETS					
Stocks	10	-		366,599	
Debtors	11	7,026		2,085	
Cash at bank and in hand		140,084		-	
		147,110		368,684	
CREDITORS: amounts falling due within one year	12	(150,551)		(606,542)	
NET CURRENT LIABILITIES			(3,441)		(237,858)
TOTAL ASSETS LESS CURRENT LIABILITIES			633,814		158,693
CREDITORS: amounts falling due after more than one year	13		-		(138,500)
NET ASSETS			633,814		20,193
CAPITAL AND RESERVES					
Called up share capital	15		100		100
Revaluation reserve	9		369,500		-
Profit and loss account	16		264,214		20,093
TOTAL SHAREHOLDERS' FUNDS	17		633,814		20,193

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board of directors on 12 December 2000 and signed on its behalf by:



P E de Vos
Director

SAGETON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

1. STATEMENT OF ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

Turnover

Turnover represents the total contract price, excluding value added tax, of properties sold and services rendered during the year.

Depreciation of tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Freehold land and buildings	Over 50 years on a straight line basis
Office furniture and fittings	20% on cost

Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

Pension costs

The company operates a money purchase (defined contribution) pension scheme. Contributions payable and assets given to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets in an independently administered trust fund.

2. OPERATING PROFIT

Operating profit is stated	2000	1999
	£	£
After charging:		
Depreciation of fixed assets	2,796	2,303
Auditors' remuneration	1,500	1,500
After crediting:		
Rent received	48,704	55,610
Profit on disposal of tangible assets	84,000	78,113

SAGETON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

3. INFORMATION ON DIRECTORS AND EMPLOYEES

	2000	1999
	£	£
Staff costs		
Wages and salaries	17,200	12,800
	<u> </u>	<u> </u>
	2000	1999
	£	£
Directors' emoluments		
Emoluments, including pension contributions to money purchase (defined contribution) schemes	8,600	6,400
	<u> </u>	<u> </u>

4. INVESTMENT INCOME AND INTEREST RECEIVABLE

	2000	1999
	£	£
Interest received and receivable		
Bank interest	3,667	-
	<u> </u>	<u> </u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2000	1999
	£	£
On bank loans and overdrafts	4,573	36,684
On other loans	13,646	9,250
	<u> </u>	<u> </u>
	18,219	45,934
	<u> </u>	<u> </u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000	1999
	£	£
The taxation charge comprises:		
Corporation tax at 20% (1999 - 21%)	31,600	16,400
Adjustment in respect of prior years	(62)	(36)
	<u> </u>	<u> </u>
	31,538	16,364
	<u> </u>	<u> </u>

SAGETON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

7. PENSION COSTS

Money purchase (defined contribution) pension scheme

The company operates a money purchase (defined contribution) pension scheme. The assets of the scheme are held separately from those of the company in an independently administered trust fund which holds assets to generate income. The pension cost charge represents contributions payable and assets given by the company to the fund and amounted to £nil (1999: £nil).

8. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and fittings £	Total £
Cost or valuation:			
At 1 April 1999	393,750	23,022	416,772
Revaluations	369,500	-	369,500
Disposals	(126,000)	-	(126,000)
At 31 March 2000	637,250	23,022	660,272
Depreciation:			
At 1 April 1999	-	20,221	20,221
Charge for year	-	2,796	2,796
At 31 March 2000	-	23,017	23,017
Net book value:			
At 31 March 2000	637,250	5	637,255
At 31 March 1999	393,750	2,801	396,551
		2000 £	1999 £
Analysis of net book value of land and buildings:			
Freehold		637,250	393,750
		2000 £	1999 £
Analysis of tangible assets stated at valuation:			
Freehold land and buildings			
Cost		263,000	-

SAGETON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

9. REVALUATION RESERVE

	2000 £	1999 £
Revaluation during the year	<u>369,500</u>	<u>-</u>

Included in land and buildings are properties which were revalued by Cross and Prior, external Chartered Surveyors on 12 October 2000. The valuation was performed on an open market basis resulting in an increase in value of £369,500. The historic cost of the properties is £263,000, no depreciation having been previously provided.

10. STOCKS

	2000 £	1999 £
Short term work in progress	<u>-</u>	<u>366,599</u>

11. DEBTORS

	2000 £	1999 £
Other debtors	<u>7,026</u>	<u>2,085</u>

12. CREDITORS: amounts falling due within one year

	2000 £	1999 £
Bank loans and overdrafts	22,657	266,939
Corporation tax	31,600	16,400
Other taxes and social security costs	-	4,032
Other creditors	92,294	273,869
Accruals and deferred income	4,000	45,302
	<u>150,551</u>	<u>606,542</u>

13. CREDITORS: amounts falling due after more than one year

	2000 £	1999 £
Other creditors	<u>-</u>	<u>138,500</u>

SAGETON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

14. BORROWINGS

	2000 £	1999 £
The company's borrowings are repayable as follows		
Up to one year and on demand	22,657	341,939
Between two and five years	-	138,500
	<u>22,657</u>	<u>480,439</u>
 Wholly repayable within five years	 22,657	 480,439
 Included in current liabilities	 22,657	 341,939

15. SHARE CAPITAL

	2000 £	1999 £
Authorised:		
Equity interests:		
Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
 Allotted, called up and fully paid:		
Equity interests:		
Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

16. PROFIT AND LOSS ACCOUNT

	2000 £	1999 £
Retained profit / (Accumulated loss) as at 1 April 1999	20,093	(91,945)
Profit for the year	244,121	112,136
Bonus issue of shares	-	(98)
Retained profit as at 31 March 2000	<u>264,214</u>	<u>20,093</u>

SAGETON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000	1999
	£	£
Profit for the financial year	264,121	112,136
Dividends	(20,000)	-
Transfer from reserves in the year	369,500	(98)
New share capital subscribed	-	98
Net addition to shareholders' funds	613,621	112,136
Opening shareholders' funds	20,193	(91,943)
Closing shareholders' funds	633,814	20,193
Represented by:-		
Equity interests	633,814	20,193

18. TRANSACTIONS WITH DIRECTORS

	2000	1999
	£	£
Amounts owed to directors		
P E de Vos	66,394	85,439
R R Haughton	-	57,154
	66,394	142,593
Amounts owed by directors		
R R Haughton	5,641	-

At the year end R R Haughton's current account was overdrawn by £5,641. This amount is included in other debtors. The maximum amount overdrawn during the year was £15,641. The overdrawn current account was repaid in full on 6 October 2000.

SAGETON DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

19. RELATED PARTY DISCLOSURES

Pro-Tech (London) Limited

During the year the company made purchases of £28,100 from Pro-Tech (London) Limited, a company in which R R Haughton is a director and controlling shareholder. No balance remained outstanding at the year end.

S & K Pension Trust Fund

The company operates a money purchase (defined contribution) pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund set up as a trust to earn income from assets held. During the year the trust fund paid expenses of £310 on behalf of Sageton Developments Limited. This amount remained unpaid at the year end. The total amount due due to the pension trust fund is £10,266 and this has been included in other creditors.

Ultimate Controlling Party

There is no ultimate controlling party of the company

R R Haughton

During the year the company paid fees of £25,000 to R R Haughton, a director and shareholder of the company. This transaction took place on normal commercial terms.