Company Registration No. 3340539 (England and Wales)

RSA ISLAND VILLAGE LIMITED

A COMPANY LIMITED BY GUARANTEE

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

A9QSQBNF
A30 0764
COMPANIES HOUSE 14/06/02

RICHARD ANTHONY & COMPANY
Chartered Accountants and Registered Auditors

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
COMPANY INFORMATION

Directors	G J Walker M F Jewell M A Polledri
Secretary	J C Collett
Company number	3340539
Registered office	13 Station Road Finchley London N3 2SB
Auditors	Richard Anthony & Company 13 Station Road Finchley London N3 2SB

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
CONTENTS

	Page
Chairman's statement	1
Directors' report	2
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 11

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
CHAIRMAN'S STATEMENT
FOR YEAR ENDED 31 MARCH 2001

I am pleased to report that as of the current date things are continuing to go according to plan. The refurbishment is completed and the majority of units are let. A Letting and Marketing office was opened in December 2000 with a target of 80% occupation of the building by the end of the calendar year 2001. This was achieved.

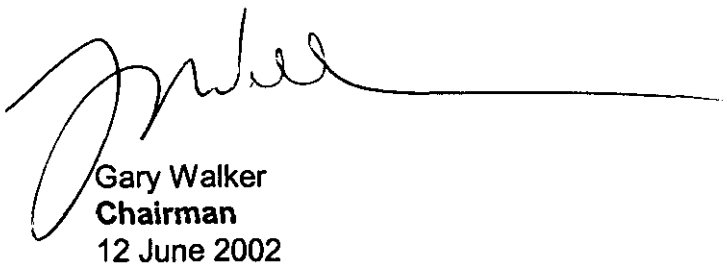
From the start of 2002 a professional management company was selected and is responsible for running the operational aspects of the RSA Island Centre.

The Live and Work units have received planning permission for residential use and a number of these units have been sold to the advantage of the company.

The formal opening of the RSA Island Centre took place in the autumn of 2001.

As the centre gets established, we are confident of an established rent roll which, together with proceeds from sales of residential units, are budgeted to reduce significantly the company's exposure to debt finance.

As explained in the Accounting Policy note to the Financial Statements, capital grants received have been credited to a deferred revenue account, for release upon disposal of the development or parts therof. As the grants have not been credited to profit & loss, this has the effect of suppressing the net asset value of the company.



Gary Walker
Chairman
12 June 2002

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2001

The directors present their report and financial statements for the year ended 31 March 2001.

Principal activities

The principal activity of the company continued to be that of property development and to generate funds to assist in economic development. Such funds are to be channelled through the Enfield Enterprise Agency, whilst the Agency exists for this purpose.

Directors

The following directors have held office since 1 April 2000:

G J Walker
M F Jewell
M A Polledri

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Richard Anthony & Company be reappointed as auditors of the company will be put to the Annual General Meeting.

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.

This 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



J C Collett
Secretary
12 June 2002

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
AUDITORS' REPORT
TO THE SHAREHOLDERS OF RSA ISLAND VILLAGE LIMITED

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Richard Anthony & Co.

Richard Anthony & Company
Chartered Accountants
Registered Auditors
13 Station Road
Finchley
London
N3 2SB

13th June 2002.

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2001

	Notes	2001 £	2000 £
Turnover		6,750	-
Management expenses		(176,350)	(94,946)
Other operating income		470,777	-
Operating profit/(loss)	**2**	301,177	(94,946)
Loss on sale of leaseholds	**2**	(189,191)	-
Profit/(loss) on ordinary activities before interest		111,986	(94,946)
Other interest receivable and similar income		3,307	19,697
Interest payable and similar charges		(53,483)	(2,040)
Profit/(loss) on ordinary activities before taxation		61,810	(77,289)
Tax on profit/(loss) on ordinary activities	**3**	(20,767)	-
Profit/(loss) on ordinary activities after taxation	**10**	41,043	(77,289)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
BALANCE SHEET
AS AT 31 MARCH 2001

	Notes	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Tangible assets	4		2,837,779		2,141,504
Investments	5		100		100
			2,837,879		2,141,604
Current assets					
Debtors	6	543,534		160,046	
Cash at bank and in hand		16,489		47,085	
		560,023		207,131	
Creditors: amounts falling due within one year	7	(274,117)		(667,828)	
Net current assets/(liabilities)			285,906		(460,697)
Total assets less current liabilities			3,123,785		1,680,907
Creditors: amounts falling due after more than one year	8		(1,003,527)		(220,000)
Accruals and deferred income	9		(1,743,223)		(1,124,915)
			377,035		335,992
Capital and reserves					
Other reserves	10		501,000		501,000
Profit and loss account	10		(123,965)		(165,008)
Shareholders' funds - equity interests	11		377,035		335,992

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

The financial statements were approved by the Board on 12 June 2002

G J Walker
Director

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention. The directors have prepared forecasts which indicate that the company has sufficient funding in place to complete the development, and on this basis the accounts have been prepared on a going concern basis.

1.2 Turnover

Turnover represents sale proceeds from the disposal of leasehold units and rents received from units,excluding value added tax.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Over 50 years
Fixtures, fittings & equipment	15% on written down value

1.4 Investments

Current asset investment is stated at cost.

1.5 Government grants

Capital grants received in respect of the property development are credited to deferred revenue and are released to the profit and loss account on disposal of the respective properties.

1.6 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

1.7 Development reserve

The sum received as a Development Reserve will be released to the profit and loss account on the eventual disposal of the property.

2 Operating profit/(loss)

	2001	2000
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	5,825	31
Auditors' remuneration	13,200	5,000
Loss on sale of leaseholds	189,191	-
and after crediting:		
Government grants released	466,777	-

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

3 Taxation	2001	2000
	£	£
Domestic current year tax		
U.K. corporation tax	20,767	-
Current tax charge	20,767	-
Factors affecting the tax charge for the year		
Profit/(loss) on ordinary activities before taxation	61,810	(77,289)
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2000 : 20.00%)	12,362	(15,458)
Effects of:		
Non deductible expenses	(45,352)	15,461
Depreciation	1,259	6
Capital allowances	579	(9)
Chargeable disposals	51,919	-
	8,405	15,458
Current tax charge	20,767	-

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2000	2,141,327	244	2,141,571
Additions	1,454,418	7,143	1,461,561
Disposals	(759,461)	-	(759,461)
At 31 March 2001	2,836,284	7,387	2,843,671
Depreciation			
At 1 April 2000	-	67	67
Charge for the year	4,727	1,098	5,825
At 31 March 2001	4,727	1,165	5,892
Net book value			
At 31 March 2001	2,831,557	6,222	2,837,779
At 31 March 2000	2,141,327	177	2,141,504

The land and buildings were valued on an open market basis by King Sturge on 24th January 2001 for £3,500,000 on the assumption that the property is 80% let.

If the property was sold for the revalued amount it would be necessary to replace it with a similar property, and rollover relief against tax on the gain would be available. Accordingly, no timing differences arise and no provision has been made for deferred tax in respect of the revaluation.

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

5 Fixed asset investments

	Shares in group undertakings and participating interests
	£
Cost	
At 1 April 2000 & at 31 March 2001	100

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
RSA Developments Limited	England	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
RSA Developments Limited	100	-

6 Debtors

	2001	2000
	£	£
Trade debtors	91,243	-
Other debtors	452,291	160,046
	543,534	160,046

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

7 Creditors: amounts falling due within one year	2001 £	2000 £
Bank loans and overdrafts	67,040	-
Trade creditors	139,457	657,922
Taxation and social security	20,767	-
Other creditors	46,853	9,906
	274,117	667,828

The bank overdraft is secured by a mortgage over the former factory site, and a debenture over all the assets of the company.

8 Creditors: amounts falling due after more than one year	2001 £	2000 £
Bank loans	1,003,527	220,000

Analysis of loans

Wholly repayable within five years	1,003,527	220,000

Loan maturity analysis

In more than two years but not more than five years	1,003,527	220,000

At the balance sheet date, the company had drawn down £1,003,527 out of a loan facility of £1,300,000 given by Allied Irish Bank (GB). Under the terms of the facility, no capital repayments are due for a period of two years following the initial drawdown. Thereafter, the balance outstanding is converted into a five year term loan, with any property/development sales applied in repayment of the facility.

The company have given the bank a mortgage over the former factory site, and a debenture over all the assets of the company, by way of security.

9 Accruals and deferred income

	Government grants £
Balance at 1 April 2000	1,124,915
Grants received during the year	1,085,085
Grants released in the year	(466,777)
Balance at 31 March 2001	1,743,223

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

10 Statement of movements on reserves

	Other reserves (see below)	Profit and loss account
	£	£
Balance at 1 April 2000	501,000	(165,008)
Retained profit for the year	-	41,043
Balance at 31 March 2001	501,000	(123,965)

Other reserves

Reserves provided for by the Articles of Association

Balance at 1 April 2000 & at 31 March 2001	501,000

11 Reconciliation of movements in shareholders' funds

	2001	2000
	£	£
Profit/(Loss) for the financial year	41,043	(77,289)
Opening shareholders' funds	335,992	413,281
Closing shareholders' funds	377,035	335,992

12 Contingent liabilities

There are no contingent liabilities to the knowledge of the directors

13 Control

The company has four members who each have equal voting rights. There is, therefore, no ultimate controlling party of the company.

RSA ISLAND VILLAGE LIMITED
A COMPANY LIMITED BY GUARANTEE
SCHEDULE OF DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31 MARCH 2001

	2001 £	2000 £
Management expenses		
Agency staff	4,659	-
Consultancy Fees	61,423	57,671
Valuation fees	950	-
Insurance	18,726	12,416
Light and heat	443	-
Cleaning	3,004	-
Printing, postage and stationery	4,483	-
Marketing Expenses	24,631	11,840
Telephone	559	-
Computer running costs	1,085	-
Travelling expenses	-	98
Legal and professional fees	9,794	5,100
Book-keeping Fee	5,100	2,400
Audit fees	13,200	5,000
Bank charges	6,461	59
Site security costs	11,974	-
Health & safety	1,915	-
Sundry expenses	2,118	331
Amortisation on freehold property	4,727	-
Depreciation on FF & E	1,098	31
	176,350	94,946