

COMPANY NO: 3633307

MOORFIELD (ATLANTIC POINT) LIMITED

ANNUAL REPORT

◆ *Year ended 31 December 2000* ◆



MOORFIELD (ATLANTIC POINT) LIMITED

CONTENTS

	Page
COMPANY INFORMATION	1
REPORT OF THE DIRECTORS	2
AUDITORS' REPORT TO THE SHAREHOLDERS	4
PROFIT AND LOSS ACCOUNT	5
BALANCE SHEET	6
NOTES TO THE FINANCIAL STATEMENTS	8

MOORFIELD (ATLANTIC POINT) LIMITED

COMPANY INFORMATION

Directors Marc Gilbard
 Graham Stanley
 Graeme Shankland
 Peter Cummings
 Charles Cade (alternate director to Marc Gilbard)
 Matthew McAdden (alternate director to Graham Stanley)
 Graham Sidwell (appointed 01/11/2000 and resigned 01/12/2000)

Secretary Timothy Sanderson

Registered office Premier House
 44-48 Dover Street
 London W1S 4NX

Registered number 3633307

Auditors RSM Robson Rhodes
 Chartered Accountants
 186 City Road
 London EC1V 2NU

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 31 December 2000.

Principal activities

The principal activities of the Company are that of property investment and development.

Results and dividends

The results for the year ended 31 December 2000 are set out in the profit and loss account on page 5. The Company was previously a fully owned subsidiary of Moorfield Group PLC and on 7 March 2000 Moorfield Group entered into a Joint Venture Agreement with Uberior Investments PLC, a subsidiary of Bank of Scotland, to engage in student accommodation activities branded as Dom@in. On that date, 455 and 555 shares were issued to Moorfield Group PLC and Uberior Investments PLC respectively, for total consideration of £4.153m. The Company's property, a 962 bed student village development in Liverpool, was completed and became operational in August 2000.

The directors do not recommend the payment of a dividend.

Directors

The present directors of the company are set out on page 1. Charles Cade resigned on 7 March 2000. Both Charles Cade and Matthew McAdden were appointed as alternate directors for Marc Gilbard and Graham Stanley respectively, on 7 March 2000.

Directors interest

None of the directors had any interests in the shares of the Company.

Statement of directors' responsibilities for the Annual Report

Company law in the United Kingdom 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 year. In preparing these financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable United Kingdom accounting standards; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and 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.

REPORT OF THE DIRECTORS (Continued)

The directors are responsible for ensuring that the directors' report and other information included in the Annual Report is prepared in accordance with company law in the United Kingdom.

Auditors

The auditors, RSM Robson Rhodes, are willing to continue in office, and a resolution to reappoint them will be proposed at the forthcoming annual general meeting.

The report of the directors was approved by the Board on 26 April 2001 and signed on its behalf by:



Timothy Sanderson
Secretary

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
OF MOORFIELD (ATLANTIC POINT) LIMITED**

We have audited the financial statements on pages 5 to 12.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom 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.

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 with the company is not disclosed.

We read the information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any information outside the Annual Report.

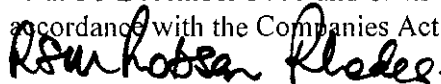
Basis of audit opinion

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 affairs of the company as at 31 December 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



RSM Robson Rhodes

Chartered Accountants and Registered Auditors

London, England

26 April 2001

MOORFIELD (ATLANTIC POINT) LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2000

	Note	Year ended 31 Dec 2000 £'000	Period ended 31 Dec 1999 £'000
Turnover		515	-
Gross rental income		515	-
Less: property outgoings		(139)	-
Net rental income		376	-
Administrative expenses	2	(14)	(3)
Operating profit/(loss)		362	(3)
Interest payable and similar charges	3	(439)	-
Loss on ordinary activities before taxation		(77)	(3)
Tax on loss on ordinary activities		-	-
Retained loss for the year	10	(77)	(3)

The notes on pages 8 to 12 form part of these accounts.

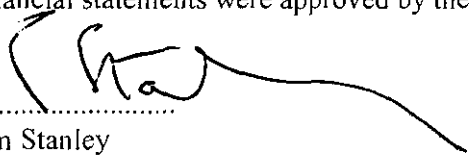
All activities are continuing activities.

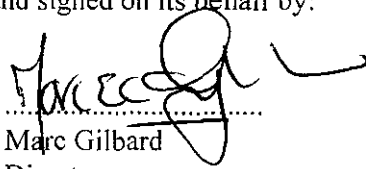
There are no recognised gains and losses other than the result for the year shown above.

MOORFIELD (ATLANTIC POINT) LIMITED**CONSOLIDATED BALANCE SHEET
at 31 December 2000**

	Note	2000 £'000	1999 £'000
Fixed Assets			
Investment property	4	19,234	9,720
Current Assets			
Debtors	6	306	508
Cash at bank and in hand		819	-
		1,125	508
Creditors: Amounts falling due within one year	7	(2,402)	(10,231)
Net current liabilities		(1,227)	(9,723)
Total assets less current liabilities		17,957	-
Creditors: amounts falling due after more than one year	8	(13,884)	-
Net assets/(liabilities)		4,073	(3)
Capital and reserves			
Called up share capital	9	1	-
Share premium	10	4,152	
Profit and loss account	10	(80)	(3)
Equity shareholders' funds	11	4,073	(3)

The financial statements were approved by the Board on 26 April 2001 and signed on its behalf by:


.....
Graham Stanley
Director

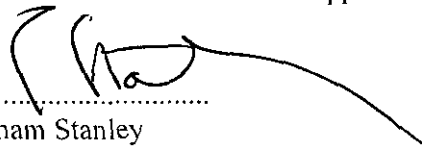

.....
Marc Gilbard
Director

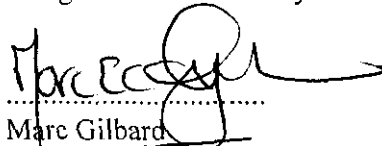
The notes on pages 8 to 12 form part of these accounts.

MOORFIELD (ATLANTIC POINT) LIMITED**BALANCE SHEET**
at 31 December 2000

	Note	2000 £'000	1999 £'000
Fixed Assets			
Investment property	4	19,179	9,720
Investments	5	-	-
Current Assets			
Debtors	6	4,709	508
Creditors: Amounts falling due within one year	7	(2,369)	(10,231)
Net current liabilities		(2,340)	(9,723)
Total assets less current liabilities		21,519	(3)
Creditors: amounts falling due after more than one year	8	(17,455)	-
Net assets/(liabilities)		4,064	(3)
Capital and reserves			
Called up share capital	9	1	-
Share premium	10	4,152	-
Profit and loss account	10	(89)	(3)
Equity shareholders' funds	11	4,064	(3)

The financial statements were approved by the Board on 26 April 2001 and signed on its behalf by:


.....
Graham Stanley
Director


.....
Marc Gilbard
Director

The notes on pages 8 to 12 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS**Year ended 31 December 2000****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements are prepared under the historical cost convention.

Turnover

Turnover, excluding VAT, comprises amounts invoiced for goods and services provided.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred or accelerated, because of timing differences between the treatment of certain items for accounting and taxation purposes.

Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future.

Investment properties

Investment properties are included in the balance sheet at cost, and are not depreciated. Where there is a permanent diminution in the value of a building, a charge is made to the profit and loss account.

2. ADMINISTRATIVE EXPENSES

The operating profit is arrived at after charging:

	2000	1999
	£'000	£'000
Audit fees	10	-
	<u> </u>	<u> </u>

3. INTEREST PAYABLE

	2000	1999
	£'000	£'000
Bank loan	307	-
Loan stock interest	52	-
Finance fees and other interest	80	-
	<u> </u>	<u> </u>
	439	-
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2000

4. INVESTMENT PROPERTY

	Group £'000	Company £'000
Cost		
At 1 January 2000	9,720	9,720
Additions in the year	9,514	9,459
At 31 December 2000	<u>19,234</u>	<u>19,179</u>

In the year ended 31 December 1999 the asset was classified as development property as it was still in the course of construction. In the opinion of the Directors, the property had a valuation of not less than the cost at 31 December 2000.

5. INVESTMENTS

	2000 £'000	1999 £'000
Cost	-	-

During the year, the Company acquired the whole of the share capital of the following companies:

Subsidiaries	Nature of business
Moorfield (Atlantic Point) Management Limited	Property letting
Dom@in North Road Limited	Property development
Dom@in Limited	Property development

6. DEBTORS

	Group 2000 £'000	Group 1999 £'000	Company 2000 £'000	Company 1999 £'000
Trade debtors	72	-	-	-
Amounts due from parent undertaking	-	-	4,482	-
Other debtors	234	508	227	508
	<u>306</u>	<u>508</u>	<u>4,709</u>	<u>508</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2000

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2000 £'000	Group 1999 £'000	Company 2000 £'000	Company 1999 £'000
Bank loans	108	-	108	-
Overdrafts	477	-	477	-
Trade creditors	76	-	74	-
Amounts owed to related undertakings	65	8,936	1	8,936
Accruals and deferred income	1,527	1,295	1,709	1,295
Other creditors	149	-	-	-
	<u>2,402</u>	<u>10,231</u>	<u>2,369</u>	<u>10,231</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2000 £'000	Group 1999 £'000	Company 2000 £'000	Company 1999 £'000
Bank loans	12,622	-	12,622	-
Loan stock	1,262	-	1,262	-
Deferred income	-	-	3,571	-
	<u>13,884</u>	<u>-</u>	<u>17,455</u>	<u>-</u>

The loans are secured by charges on the property held by the Group. The senior loan is repayable by March 2010 and is at a margin of 125 basic points over LIBOR. The loan stock is repayable in March 2010 and is at a margin of 600 basic points over LIBOR. The Group has also entered into an interest rate swap agreement and the notional amount outstanding at 31 December 2000 was £11,200,000.

MOORFIELD (ATLANTIC POINT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2000

9. SHARE CAPITAL

	2000 £'000	1999 £'000
Authorised		
1,000,000 shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
Allotted and fully paid		
1,110 shares of £1 each	1	-
Made up of:		
555 A ordinary shares		
555 B ordinary shares		
	<u> </u>	<u> </u>

10. MOVEMENT IN RESERVES

	Group Share premium £'000	Group Profit and loss £'000	Company Share premium £'000	Company Profit and loss £'000
Group				
At 1 January 2000	-	(3)	-	(3)
Issue of shares	4,152	-	4,152	-
Retained loss for the year	-	(77)	-	(86)
	<u>4,152</u>	<u>(80)</u>	<u>4,152</u>	<u>(89)</u>
At 31 December 2000	<u>4,152</u>	<u>(80)</u>	<u>4,152</u>	<u>(89)</u>

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Group 2000 £'000	Group 1999 £'000	Company 2000 £'000	Company 1999 £'000
Retained loss for the year	(77)	(3)	(86)	(3)
Ordinary share capital issued during the year	4,153	-	4,153	-
Opening shareholders' funds	(3)	-	(3)	-
	<u>4,073</u>	<u>(3)</u>	<u>4,064</u>	<u>(3)</u>
Closing shareholders' funds	<u>4,073</u>	<u>(3)</u>	<u>4,064</u>	<u>(3)</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2000

12. RELATED PARTY TRANSACTIONS

A management fee of £20,000 was charged by Moorfield Group PLC during the year. The aggregate amount due to Moorfield Group PLC at the year end was £65,000.