RUFFWOOD HAMPTON DEVELOPMENT LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MAY 2002

Company Registration Number 3781621



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RUFFWOOD HAMPTON DEVELOPMENT LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2002

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RUFFWOOD HAMPTON DEVELOPMENT LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS	G. Stevens M.E. Woodruff S.R. Forrester
COMPANY SECRETARY	M.E. Woodruff
REGISTERED OFFICE	69 Ridgeway Wimbledon London SW19 4SS
AUDITORS	Menzies Chartered Accountants & Registered Auditors Neville House 55 Eden Street Kingston upon Thames Surrey KT1 1BW
BANKERS	National Westminster Bank Plc 5 Market Place Kingston upon Thames Surrey KT1 1JX

RUFFWOOD HAMPTON DEVELOPMENT LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MAY 2002

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 May 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was property dealing, development and investment.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 May 2002	At 1 June 2001
G. Stevens	33	33
M.E. Woodruff	34	34
S.R. Forrester	33	33

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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

Menzies were appointed in the year to fill a casual vacancy, as no audit was required in the previous year. A resolution to re-appoint Menzies as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
69 Ridgeway
Wimbledon
London
SW19 4SS

Signed by order of the directors



M.E. Woodruff
Company Secretary

Approved by the directors on 28/1/03

RUFFWOOD HAMPTON DEVELOPMENT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 MAY 2002

We have audited the financial statements on pages 5 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE 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 on page 2.

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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

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 the company's affairs as at 31 May 2002 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Menzies

MENZIES
Chartered Accountants
& Registered Auditors

Neville House
55 Eden Street
Kingston upon Thames
Surrey
KT1 1BW

29/1/03

RUFFWOOD HAMPTON DEVELOPMENT LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MAY 2002

	Note	2002 £	2001 £
TURNOVER		1,481,749	–
Cost of sales		1,153,979	–
GROSS PROFIT		327,770	–
Administrative expenses		85,757	65,851
OPERATING PROFIT/(LOSS)	2	242,013	(65,851)
Interest receivable		36	3
Interest payable		(115,725)	(21,826)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		126,324	(87,674)
Tax on profit/(loss) on ordinary activities		25,310	(17,476)
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		101,014	(70,198)

The notes on pages 7 to 9 form part of these financial statements.

RUFFWOOD HAMPTON DEVELOPMENT LIMITED

BALANCE SHEET

31 MAY 2002

	Note	2002 £	£	2001 £	£
FIXED ASSETS					
Tangible assets	3		–		5,170
CURRENT ASSETS					
Stocks		901,667		1,055,560	
Debtors	4	13,355		19,494	
Cash at bank		114,938		17,710	
		1,029,960		1,092,764	
CREDITORS: Amounts falling due within one year	5	186,491		989,138	
NET CURRENT ASSETS			843,469		103,626
TOTAL ASSETS LESS CURRENT LIABILITIES			843,469		108,796
CREDITORS: Amounts falling due after more than one year	6		633,659		–
			209,810		108,796
CAPITAL AND RESERVES					
Called-up equity share capital	8		100		100
Profit and Loss Account	9		209,710		108,696
SHAREHOLDERS' FUNDS			209,810		108,796

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 28/1/03 and are signed on their behalf by:

G. Stevens

M.E. Woodruff

The notes on pages 7 to 9 form part of these financial statements.

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The principle accounting policies of the company remain unchanged since the previous year and are set out below.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor Vehicles - 20% per annum straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	2002 £	2001 £
Directors' emoluments	46,260	45,860
Depreciation	–	1,293
Loss on disposal of fixed assets	1,533	–
Auditors' fees	2,500	–

3. TANGIBLE FIXED ASSETS

	Plant and machinery etc. £
COST	
At 1 June 2001	6,463
Disposals	(6,463)
At 31 May 2002	–
DEPRECIATION	
At 1 June 2001	1,293
On disposals	(1,293)
At 31 May 2002	–
NET BOOK VALUE	
At 31 May 2002	–
At 31 May 2001	5,170

4. DEBTORS

	2002 £	2001 £
Trade debtors	10,951	–
Other debtors	2,404	19,494
	13,355	19,494

5. CREDITORS: Amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts	51,341	646,250
Trade creditors	3,558	57,896
Corporation tax	25,310	44,773
Other taxation and social security	4,718	7,513
Other creditors	101,564	232,706
	186,491	989,138

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2002 £	2001 £
Bank loans and overdrafts	51,341	–

6. CREDITORS: Amounts falling due after more than one year

	2002 £	2001 £
Bank loans and overdrafts	633,659	–

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2002 £	2001 £
Bank loans and overdrafts	633,659	–

Included within creditors falling due after more than one year is an amount of £382,190 (2001 - £Nil) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

7. RELATED PARTY TRANSACTIONS

Throughout the year the company was under the control of Mr M.E. Woodruff, Mr G. Stevens and Mr S.R. Forrester by virtue of the fact that they own 100% of the issued share capital.

During the year the company entered into transactions with the following related parties:

The company sold a van to Mr S.R. Forrester, receiving proceeds of £3,404. and suffering a net loss on disposal of £1,533.

At the year end the company owed £150 to M.E. Woodruff. The largest amount due to Mr E. Woodruff during the year was £10,150.

Last year S.R. Forrester was owed £20,000. The maximum that this loan rose to during the year was £22,000. At the end of the year the loan was fully repaid.

At the year end the company owed £31,374 (2001 - £136,677)to Lavender Investments Limited, and £63,354 (2001 - £73,354) to Main Contracts Limited, as part funding for property development. Lavender Investments Limited is a company controlled by M.E. Woodruff. Main Contracts Limited is a company controlled by D. Forrester and S. Stevens who are related parties to S.R. Forrester and G. Stevens.

8. SHARE CAPITAL

Authorised share capital:

	2002 £	2001 £
100 Ordinary shares of £1 each	100	100

Allotted, called up and fully paid:

	2002 £	2001 £
Ordinary share capital	100	100

9. PROFIT AND LOSS ACCOUNT

	2002 £	2001 £
Balance brought forward	108,696	178,894
Retained profit/(accumulated loss) for the financial year	101,014	(70,198)
Balance carried forward	209,710	108,696