

ROSEMEAD GROUP LIMITED (4413821)
(FORMERLY BRISTOL AND DISTRICT ESTATES LIMITED)

The directors submit their annual report and the financial statements of the company for the period 1st July 2003 to 30th September 2004.

PRINCIPAL ACTIVITY

The principal activity during the period was that of housing development. On 28th September 2004, the company changed its name from Bristol and District Estates Limited.

DIRECTORS AND THEIR INTERESTS

The directors, who have served during the period and their interests in the share capital of the company, are as follows:

	30 th September 2004				30 th June 2003			
	'A'	'B'	'C'		'A'	'B'	'C'	
	Ordinary	Ordinary	Ordinary	Ordinary	Ordinary	Ordinary	Ordinary	Ordinary
A Simmonds	60	-	-	-	-	-	-	1
D A Cockerell	-	30	-	-	-	-	-	1
M F Lippiatt	-	-	30	-	-	-	-	-
A N Gainsford *	-	-	-	-	- #	- #	- #	- #

* appointed 20th October 2003

at appointment

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

A SIMMONDS

Secretary

23rd May 2005



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
ROSEMEAD GROUP LIMITED

We have audited the financial statements of Rosemead Group Limited for the 15 months ended 30th September 2004 which are set out on pages 3 to 8. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed

Respective Responsibilities of Directors and Auditors

As described in the Statement of Directors' Responsibilities, the company's directors are responsible for preparing the financial statements in accordance with applicable law and UK Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and UK 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.

Basis of Opinion

We conducted our audit in accordance with UK 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 30th September 2004 and of its results for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Gordon Wood, Scott & Partners

Dean House
94 Whiteladies Road
Clifton
Bristol
BS8 2QX

GORDON WOOD, SCOTT & PARTNERS

Registered Auditors

Chartered Accountants

26th May 2005

ROSEMEAD GROUP LIMITEDPROFIT AND LOSS ACCOUNT FOR THE FIFTEEN MONTHS ENDED 30TH SEPTEMBER 2004

	<u>Notes</u>	<u>2004</u> (15 months)	<u>2003</u> (12 months)
<u>TURNOVER</u>		-	-
Cost of Sales		-	-
<u>GROSS PROFIT</u>		-	-
Administrative Costs		(22,387)	-
<u>OPERATING LOSS</u>	2	(22,387)	-
Interest Payable	3	(16,294)	-
<u>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		(38,681)	-
<u>TAXATION</u>	4	-	-
<u>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</u>		(38,681)	-
Preference Dividends Payable		(59,219)	-
Retained Loss for the Year		(97,900)	-
Profit & Loss Account Brought Forward		-	-
Profit & Loss Account Carried Forward		(97,900)	-

ROSEMEAD GROUP LIMITEDBALANCE SHEET AS AT 30TH SEPTEMBER 2004

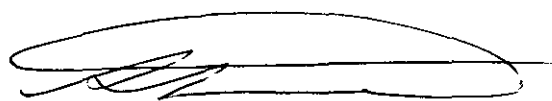
	Notes	30 th September 2004	30 th June 2003
<u>FIXED ASSETS</u>			
Investments	6	20	-
<u>CURRENT ASSETS</u>			
Stock and Work in Progress	7	1,542,059	-
Debtors	8	20,000	2
Cash at Bank and in Hand		540,757	-
		2,102,816	2
<u>CREDITORS: Amounts falling due within one year</u>			
Bank Loans (secured)		795,416	-
Payments Received on Account		2,750	-
Due to Group Undertaking		334,058	-
Preference Dividend Payable		59,219	-
Directors' Current Account		900	-
Accruals		8,273	-
		1,200,616	-
Net Current Assets		902,200	-
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			
		902,220	2
<u>CAPITAL AND RESERVES</u>			
Share Capital	9	1,000,120	2
Profit & Loss Account	10	(97,900)	-
Equity Shareholders' Funds		902,220	2

The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the Directors on 23rd May 2005 and signed on their behalf by:



D A COCKERELL



M F LIPPIATT

ROSEMEAD GROUP LIMITEDNOTES TO THE ACCOUNTS FOR THE FIFTEEN MONTHS ENDED 30TH SEPTEMBER 2004
STATEMENT OF DIRECTORS' RESPONSIBILITIES

In respect of preparation of the financial statements:

The directors are required by company law 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;
- state whether applicable accounting standards have been followed;
- 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.

1. ACCOUNTING POLICIES

Accounting Convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards. The accounts present information about the company as an individual undertaking and not about its group. As allowed by S248 of the Companies Act 1985 the company has not prepared group accounts on the grounds that it is a small group.

Turnover

Turnover arises from the amounts received in respect of house sales.

Recognition of Profit

Profit in respect of house sales or short term contracts is taken at the time of the legal completion of the sale or contract.

Work in Progress

Stock and work in progress is stated at the lower of cost including attributable overheads and net realisable value.

Interest Payable

All interest payable is written off in arriving at profit on ordinary activities.

Deferred Taxation

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred is accounted for in respect of all material timing differences, except for deferred tax assets, which are only recognised to the extent that they are regarded as recoverable. Deferred tax assets and liabilities are not discounted.

ROSEMEAD GROUP LIMITEDNOTES TO THE ACCOUNTS FOR THE FIFTEEN MONTHS ENDED 30TH SEPTEMBER 20042. TURNOVER AND OPERATING PROFIT

The company is involved in one class of business.

	<u>2004</u>	<u>2003</u>
Operating loss is stated after charging:		
Auditors' Remuneration- Audit	1,000	-
- Other Services	3,600	-
	4,600	-

3. INTEREST PAYABLE

Bank loans repayable in less than five years, not by instalments

	<u>2004</u>	<u>2003</u>
Bank loans repayable in less than five years, not by instalments	34,523	-
Bank interest receivable	(18,229)	-
	16,294	-

4. TAXATION

Corporation Tax on the loss for the period

	<u>2004</u>	<u>2003</u>
Corporation Tax on the loss for the period	-	-

The company has trading losses of £37,731 (2003 : Nil) to set against future trading profits.

5. EMPLOYEE INFORMATION

The company has no employees other than its directors, who received no remuneration in the period.

6. INVESTMENTS

The company owns 100% of the issued share capital of the following companies, which are both incorporated in England:

Rosemead Homes Ltd (purchased with effect from 31st July 2004)
Rosemead Properties Ltd (through Rosemead Homes)

Rosemead Homes' aggregate capital and reserves deficit at 30th September 2004 amounted to £270,829 and its net loss after taxation for the fifteen months ended 30th September 2004 was £443,034.

7. STOCK AND WORK IN PROGRESS

	<u>2004</u>	<u>2003</u>
Land	1,100,510	-
Work in Progress	441,549	-
	1,542,059	-

ROSEMEAD GROUP LIMITEDNOTES TO THE ACCOUNTS FOR THE FIFTEEN MONTHS ENDED 30TH SEPTEMBER 20048. DEBTORS

Other Debtors	-	2
Prepayments & Accrued Income	20,000	-
	20,000	2

9. SHARE CAPITAL20042003Authorised

1,000,900 6½% Cumulative Redeemable

Preference Shares of £1 each	1,000,900	-
60 'A' Ordinary Shares of £1 each	60	-
30 'A' Ordinary Shares of £1 each	30	-
30 'A' Ordinary Shares of £1 each	30	-
1,000 Ordinary Shares of £1 each	-	1,000
	1,001,020	1,000

Allotted, Issued and Fully Paid

1,000,000 6½% Cumulative Redeemable

Preference Shares of £1 each	1,000,000	-
60 'A' Ordinary Shares of £1 each	60	-
30 'B' Ordinary Shares of £1 each	30	-
30 'C' Ordinary Shares of £1 each	30	-
2 Ordinary Shares of £1 each	-	2
	1,000,120	2

On 23rd September 2003 £300,000 preference shares, 59 'A' ordinary shares, 19 'B' ordinary shares and 20 'C' ordinary shares were issued for cash. On the same day the two ordinary shares in issue were converted into one 'A' ordinary share and one 'B' ordinary share. On 20th November 2003 a further £700,000 preference shares were issued for cash. On 23rd August 2004 10 'B' ordinary shares and 10 'C' ordinary shares were issued in exchange for the entire issued share capital of Rosemead Homes Ltd.

10. MOVEMENT IN SHAREHOLDERS' FUNDS20042003

Loss for the Financial Year	(38,681)	-
Preference Dividend	(59,219)	-
	(97,900)	-
Issue of Shares	1,000,118	2
Addition to Shareholders' Funds	902,218	2
Opening Shareholders' Funds	2	-
Closing Shareholders' Funds	902,220	2

ROSEMEAD GROUP LIMITEDNOTES TO THE ACCOUNTS FOR THE FIFTEEN MONTHS ENDED 30TH SEPTEMBER 200411. TRANSACTIONS WITH RELATED PARTIES

Goods and services were supplied to the company by its subsidiary Rosemead Homes Ltd during the period amounting to £741,548 of which £343,663 was outstanding at 30th September 2004.

12. CONTROL

The company is controlled by A Simmonds, D A Cockerell and M F Lippiatt.