

REGISTERED NUMBER: 04555152 (England and Wales)

AUCLUM PROPERTIES LIMITED
REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD 8 OCTOBER 2002 TO 31 MARCH 2004



CONTENTS OF THE FINANCIAL STATEMENTS
For The Period 8 October 2002 to 31 March 2004

	Page
Company Information	1
Report of the Directors	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5
Report of the Accountants	7
Trading and Profit and Loss Account	8

AUCLUM PROPERTIES LIMITED

COMPANY INFORMATION
For The Period 8 October 2002 to 31 March 2004

DIRECTORS:

A D Gardiner
D A W Gardiner

SECRETARY:

A D Gardiner

REGISTERED OFFICE:

Phoenix House
Bartholomew Street
Newbury
Berkshire
RG14 5QA

REGISTERED NUMBER:

04555152 (England and Wales)

ACCOUNTANTS:

James & Cowper
Chartered Accountants
Phoenix House
Bartholomew Street
Newbury
Berkshire RG14 5QA

AUCLUM PROPERTIES LIMITED

REPORT OF THE DIRECTORS
For The Period 8 October 2002 to 31 March 2004

The directors present their report with the financial statements of the company for the period 8 October 2002 to 31 March 2004.

INCORPORATION

The company was incorporated on 7 October 2002 and commenced trading on the same date.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of the development and sale of real estate

DIRECTORS

The directors during the period under review were:

A D Gardiner	- appointed 9.10.02
D A W Gardiner	- appointed 9.10.02

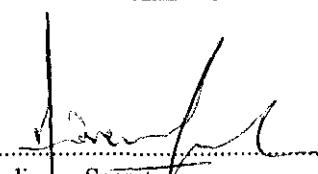
The beneficial interests of the directors holding office on 31 March 2004 in the issued share capital of the company were as follows:

	31.3.04	at date of appointment
Ordinary £1 shares		
A D Gardiner	9,999	-
D A W Gardiner	1	-

Both the directors, being eligible, offer themselves for election at the forthcoming first Annual General Meeting.

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

ON BEHALF OF THE BOARD:


.....
A D Gardiner - Secretary

Date: 5/8/04
.....

AUCLUM PROPERTIES LIMITED**PROFIT AND LOSS ACCOUNT**
For The Period 8 October 2002 to 31 March 2004

	Notes	£
TURNOVER		398,047
Cost of sales		<u>377,730</u>
GROSS PROFIT		20,317
Administrative expenses		<u>28,597</u>
OPERATING LOSS	2	(8,280)
Interest receivable and similar income		<u>930</u>
		(7,350)
Interest payable and similar charges		<u>9,427</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(16,777)
Tax on loss on ordinary activities	3	<u>-</u>
LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION		(16,777)
Dividends	4	<u>15,000</u>
DEFICIT FOR THE PERIOD		<u>(31,777)</u>

The notes form part of these financial statements

AUCLUM PROPERTIES LIMITED**BALANCE SHEET**
31 March 2004

	Notes	£
CURRENT ASSETS		
Work in progress		717,939
Debtors	5	14,008
Cash at bank		102,036
		<u>833,983</u>
CREDITORS		
Amounts falling due within one year	6	855,760
		<u>(21,777)</u>
NET CURRENT LIABILITIES		
		<u>(21,777)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(21,777)</u>
CAPITAL AND RESERVES		
Called up share capital	7	10,000
Profit and loss account	8	(31,777)
		<u>(21,777)</u>
SHAREHOLDERS' FUNDS		<u>(21,777)</u>

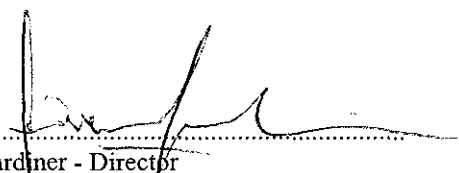
The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 31 March 2004.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 March 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been 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).

ON BEHALF OF THE BOARD:

A D Gardiner - Director

Approved by the Board on 5/8/04

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
For The Period 8 October 2002 to 31 March 2004

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Work in progress

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Going Concern

During the period the company made losses of £16,777 and has net current liabilities at the year end of £21,777. The company is dependent upon continued support from a director in order to continue to trade

2. OPERATING LOSS

The operating loss is stated after charging:

	£
Directors' emoluments and other benefits etc	<u>5,000</u>

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the period.

4. DIVIDENDS

	£
Interim	<u>15,000</u>

The dividend paid in the year is in contravention of section 263 of the Companies Act and is therefore illegal, as there are insufficient reserves in the company. As a result, the dividend may be repayable by the shareholders.

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Other debtors	<u>14,008</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Bank loans and overdrafts	391,911
Trade creditors	85,806
Taxation and social security	130
Other creditors	<u>377,913</u>
	<u>855,760</u>

AUCLUM PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Period 8 October 2002 to 31 March 2004

7. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
10,000	Ordinary	£1	<u>10,000</u>

8. RESERVES

	Profit and loss account £
Deficit for the period	<u>(31,777)</u>
At 31 March 2004	<u>(31,777)</u>

9. TRANSACTIONS WITH DIRECTORS

Amounts owed to AD Gardiner:	£
Capital introduced:	385,000
Re-payment:	10,124
Balance outstanding at 31/03/2004	374,876