

Brookhouse (Poole) Limited

Annual report and financial statements
for the sixty three weeks ended
24 September 2004

Registered number: 4828310



Directors' report

For the 63 weeks ended 24 September 2004

The directors present their first report for the sixty three weeks ended 24 September 2004, together with the financial statements and auditors' report.

Principal activities and business review

The principal activities of the company are property investment and management.

The company was incorporated on 10 July 2003 as Brookhouse (Poole) Limited.

In order to bring the accounting reference date in line with that of the ultimate parent company, the year end date has been changed to 24 September 2004.

The company acquired a freehold investment property in Poole on 17 October 2003 and subsequently sold the property in January 2004. The directors consider that the results for the period are satisfactory.

The company acquired a freehold investment property on 22 December 2004 for a consideration of £8.8 million (see note 12).

Results and dividends

The results for the period together with the movement on distributable reserves were:

	£'000
Profit for the financial period	159
Profit and loss account, end of period	<u>159</u>

Directors and their interests

The directors of the company during the period are shown below:

J. Hindle, Jnr.	(Chairman) (appointed 10 July 2003)
I.C. Marsden	(appointed 10 July 2003, resigned 31 December 2004)
J. Banfi	(appointed 10 July 2003)
Instant Companies Limited	(appointed 10 July 2003, resigned 10 July 2003)
A. Gardner	(appointed 17 January 2005)

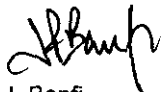
The directors do not have any interests required to be disclosed under Schedule 7 of the Companies Act 1985.

Directors' report (continued)

Auditors

The directors appointed Deloitte & Touche LLP as the company's first auditors in the period. A resolution to re-appoint Deloitte & Touche LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

By order of the Board,



J. Banfi

Secretary

Mercury Way
Barton Dock Road
Trafford Park
Manchester
M41 7LY

10 May 2005

Directors' responsibilities

United Kingdom 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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.

Independent auditors' report

To the Members of Brookhouse (Poole) Limited:

We have audited the financial statements of Brookhouse (Poole) Limited for the period from 11 July 2003 to 24 September 2004 which comprise the Profit and loss account, the Statement of total recognised gains and losses, the Cash flow statement, the Balance sheet, the Statement of accounting policies and the related notes numbered 1 to 12. These financial statements have been prepared under 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 auditors' 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 opinion we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the company's directors' are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above period and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

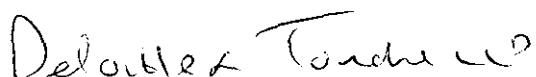
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the company, 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.

Independent auditors' report (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 24 September 2004 and of the profit for the period from 11 July 2003 to 24 September 2004 and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in dark ink, appearing to read "Deloitte & Touche" followed by a stylized flourish.

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors

Manchester

10 May 2005

Profit and loss account

For the 63 weeks ended 24 September 2004

	Notes	63 weeks ended 24 September 2004 £'000
Property and investment income	1	53
Other operating expenses (net)	2	(5)
Operating profit		<u>48</u>
Profit on sale of fixed assets		<u>111</u>
Profit on ordinary activities before taxation	3	159
Tax on profit on ordinary activities	4	-
Profit for the financial period transferred to reserves		<u>159</u>

A statement of movements in reserves is given in note 8. All activity has arisen from continuing operations.

There are no other gains or losses in the period other than the profit for the period. Accordingly, no separate statement of total recognised gains and losses is given.

There are no cash flows in the period, all transactions being settled via intercompany current account, or in the case of the acquisition of tangible assets through the issue of shares.

Balance sheet
24 September 2004

	Notes	2004 £'000
Fixed assets		
Tangible assets	5	-
Current assets		
Debtors	6	3,065
Net assets		<u>3,065</u>
Capital and reserves		
Called-up share capital	7	2,906
Profit and loss account	8	159
Shareholders' funds		<u>3,065</u>
Equity interests		159
Non-equity interests		<u>2,906</u>
		<u>3,065</u>

Signed on behalf of the Board



A. Gardner
Director

10 May 2005

Statement of accounting policies

For the sixty three weeks ended 24 September 2004

The principal accounting policies are summarised below. They have all been applied consistently throughout the period. As this is the first period since incorporation there are no comparatives.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

Investment properties

A valuation of investment properties is made annually as at the balance sheet date by an external firm of Chartered Surveyors at open market value. Changes in the market value of such assets are accounted for by way of a movement in revaluation reserve and are included in the statement of total recognised gains and losses unless a deficit (or its reversal) on an individual property is expected by the directors to be permanent, in which case the change in market value is charged (credited) to the profit and loss account. On disposal, the cumulative revaluation surpluses or deficits are transferred from the revaluation reserve to the profit and loss account.

In accordance with SSAP 19 no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run. The requirement of the Companies Act 1985 is to depreciate all properties, but that requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, as these properties are not held for consumption but for investment to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP19 in order to give a true and fair view. If this departure from the Act had not been made the profit for the period would have been decreased by depreciation. However, the amount of depreciation cannot reasonably be quantified, because of the lack of analysis of the cost/value as between land and buildings.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Statement of accounting policies (continued)

Taxation (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Property and investment income

Property and investment income comprises rental income from properties excluding VAT.

Rental income from properties is recognised in the period to which it relates in accordance with the lease terms. Rent invoiced in advance is recognised in the profit and loss account in the following accounting period and treated as deferred income at the year end.

Service charge residual costs (arising from voids or inclusive rental arrangements) which are not recovered from tenants are included within other operating expenses.

Profit on sale of tangible fixed assets

Sales of tangible fixed assets are accounted for in the period in which contracts are completed. The profit (loss) on sale of tangible fixed assets represents sales proceeds less disposal costs and the carrying value of the asset at the time of disposal. The latter in the case of revalued assets represents the revalued amount

Notes to financial statements
24 September 2004

1 Property and investment income

63 weeks
ended
24 September
2004
£'000

Rental income	53

2 Other operating expenses (net)

63 weeks
ended
24 September
2004
£'000

Administrative expenses	5

Administrative expenses of £5,000 were recharged from fellow group undertakings.

3 Profit on ordinary activities before taxation

There were no directors' emoluments, staff costs or non-audit fees during the period. The audit fees in respect of the company have been borne by another group company, Brookhouse Builders Limited.

4 Tax on profit on ordinary activities

There is no tax charge for the period.

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows.

63 weeks
ended
24 September
2004
£'000

Profit on ordinary activities before tax	159

Tax on profit on ordinary activities at standard UK corporation tax rate of 30%	48
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Effects of:

Indexation reducing capital gains	(7)
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Group relief surrendered free of charge	(41)

Current tax charge for period	-

Notes to financial statements (continued)

5 Tangible fixed assets

The movement on tangible fixed assets was:

	Freehold investment properties £'000
Valuation	
Transfer from fellow group undertakings	2,906
Additions	15
Disposals	(2,921)
End of period	<u>-</u>
Net book value	
End of period	<u>-</u>

The freehold investment property was disposed of on 16 January 2004. The proceeds for the sale were £3,065,000, realising a profit on sale of £111,000.

6 Debtors

	2004 £'000
Amounts falling due within one year:	
Amounts due from fellow group undertakings	<u>3,065</u>

Amounts due from fellow group undertakings are repayable on demand, unsecured and are interest free.

7 Called-up share capital

	2004 £
<i>Authorised</i>	
1,000 ordinary shares of £1 each	1,000
3,250,000 non-redeemable preference shares of £1 each	<u>3,250,000</u>
	<u>3,251,000</u>
<i>Issued and fully-paid</i>	
1 ordinary share of £1	1
2,905,561 non-redeemable preference shares of £1 each	<u>2,905,561</u>
	<u>2,905,562</u>

The non redeemable preference shares, which carry no voting rights or dividend entitlements, were issued in consideration for a property acquired during the year and have priority on a winding up over the ordinary shareholder.

On incorporation one share was issued at its nominal value.

Notes to financial statements (continued)

8 Reserves

The movement on reserves during the period was:

	Profit and loss account £'000
Profit for the financial period	159
End of period	159

9 Reconciliation of movements in shareholders' funds

	2004 £'000
Profit for the financial period	159
Issue of share capital	2,906
Net increase in shareholders' funds	3,065
Shareholders' funds, end of period	3,065

10 Guarantees and other financial commitments

There are no capital commitments at 24 September 2004.

11 Ultimate parent company and controlling party

The company's ultimate parent company is Aggregate Company S.a.r.l., a company incorporated in Luxembourg. The ultimate controlling party of that company is the Aggregate Trust.

12 Post balance sheet event

The company acquired a freehold investment property on 22 December 2004 for a consideration of £8.8 million.