

Richardson Management LLP
(formerly Richardson Castel Romano Partners
LLP)

Members' report and financial
statements

Partnership number OC302221
For the period ended 31 December 2002



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Members' report

The members present their first annual report and the audited financial statements for the period from the date of incorporation, being 16 May 2002, to 31 December 2002.

Change of name

On 6 August 2002, the name of the limited liability partnership ("LLP") was changed from Richardson Castel Romano Partners LLP to Richardson Management LLP.

Principal activities and business review

The principal activity of the LLP is, and will continue to be, that of property development and management through an investment which was acquired on 17 September 2002.

The LLP did not trade prior to the purchase of the investment.

It continues to be the policy of the LLP to expand its activities when the opportunity arises.

Details of the investment are given in note 3 on page 5 of the financial statements.

Members

The members of the LLP who were members throughout the financial period are set out below:

SAM Corner (designated member)
LS Richardson (designated member)
CA Richardson
MF Richardson

Policy on drawing and subscription and repayment on capital

In the event of the LLP being wound up, then no member shall contribute more than £10, being the full extent of the liability of each member in this event. In the event of winding up, any surplus of assets over liabilities on conclusion of winding up will be shared between members in proportion to their shares on the day before the commencement of the winding up.

Auditors

During the period, KPMG LLP were appointed auditors to the LLP.

A resolution for the re-appointment of KPMG LLP as auditor of the LLP is to be proposed at the forthcoming annual general meeting.

By order of the members and signed on their behalf



LS Richardson
Designated member

100 Dudley Road East
Oldbury
West Midlands
B69 3DY

18 December 2003

Statement of members' responsibilities

The law relating to limited liability partnerships (LLPs) requires the members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the partnership and of the group at the end of the financial year end of the profit or loss for that period. In preparing those financial statements the members 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

Under the Limited Liability Partnerships Act 2000, the members are also responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy the financial position of the LLP and which enable them to ensure that the financial statements will comply with those regulations. The members have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the entities consolidated within the LLP and to prevent and detect fraud and other irregularities.



KPMG LLP
2 Cornwall Street
Birmingham
B3 2DL

Report of the independent auditors to the members of Richardson Management LLP

We have audited the financial statements on pages 4 to 6.

This report is made solely to the members of the limited liability partnership ("LLP"), as a body, in accordance with Section 235 of the Companies Act 1985, as required by Paragraph 3 of the Limited Liability Partnership Regulations 2001. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

The members are responsible for preparing the members' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 limited liability partnership has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

Basis of audit opinion

We conducted our audit in accordance with 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 members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the limited liability partnership'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 limited liability partnership as at 31 December 2002 and of its result for the period from 16 May 2002 (the date of incorporation) to 31 December 2002 and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

18 December 2003

Richardson Management LLP
(formerly Richardson Castel Romano Partners LLP)
Members' report and financial statements
For the period ended 31 December 2002

Balance sheet

at 31 December 2002

	<i>Note</i>	2002 £
Fixed assets		
Investments	3	1
Net current assets		1
Total members' interests	5	
Loans and other amounts due to members		1
Members' capital		-
		1

These financial statements were approved by the members on 18 December 2003 were signed on its behalf by:



LS Richardson
Designated member

Notes

(forming part of the financial statements)

1 Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the limited liability partnership's ("LLP's") financial statements:

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, including the Statement of Recommended Practice, Accounting by Limited Liability Partnerships, and under the historical cost accounting rules.

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Investments

Investments are stated at cost less provisions for diminution in value.

2 Profit and loss account

The LLP has not traded during the financial period and has received no income and incurred no expenditure. Consequently, during the period the LLP has made neither a profit nor a loss.

3 Investments

	£
<i>Cost and net book value</i>	
At start of period	-
Additions	1
At end of period	1

Additions in the period relate to the following:

Company	Activity	Percentage holding	Class of share
McArthurglen UK Limited	Property management	50%	Ordinary

McArthurglen UK Limited has not been equity accounted as the LLP has taken advantage of the exemptions permitted by Financial Reporting Standard 9 in preparing these financial statements (see note 1 above).

At 31 March 2003, the audited financial statements of McArthurglen UK Limited show net liabilities of £185,504 (50% share: £92,752) and retained loss of £13,401,728 (50% share: £6,700,864).

Notes *(continued)*

4 Members' remuneration

None of the members received any remuneration in the financial period for their services to the LLP. Other than its members, the company had no employees during the financial period.

5 Members accounts

	Members' other interests		Loans & other debts due to members	
	Members capital	Other resources	Total	Total
At beginning of period	-	-	-	-
New loans	-	-	-	1
At end of period	-	-	-	1