
DAWCASTLE LIMITED

REPORT AND FINANCIAL STATEMENTS

◆ 30 June 2002 ◆



COMPANY NO: 3074846

DAWCASTLE LIMITED

CONTENTS

	Page
COMPANY INFORMATION	1
REPORT OF THE DIRECTORS	2
REPORT OF THE INDEPENDENT AUDITORS	3
PROFIT AND LOSS ACCOUNT	4
BALANCE SHEET	5
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	6-9

DAWCASTLE LIMITED

COMPANY INFORMATION

Directors	Andrew L Cohen
Secretary	Iain Williamson
Registered office	Wood Hall Lane Shenley Hertfordshire WD7 9AA
Registered number	3074846
Auditors	BDO Stoy Hayward Chartered Accountants 8 Baker Street London W1U 3LL

REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements for the year ended 30 June 2002.

Principal activities

The principal activity of the company is that of property investment. The company does not at present hold any property assets; however, the directors continue to seek investment opportunities.

Results and dividend

The results for the year are set out in detail on page 4. The directors do not recommend the payment of a dividend (2001: nil).

Directors

The directors at the date of this report are disclosed on page 1. Simon H Walters resigned as a director on 31st May 2002.

The directors held no beneficial interests in the shares of the company throughout the year.

The directors' interests in the shares of the parent company are disclosed in that company's accounts.

Directors' responsibilities for financial statements

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 year. In preparing these financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

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.

Auditors

A resolution to approve the re-election of BDO Stoy Hayward as auditors will be proposed at the forthcoming AGM.

This report of the directors 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

Iain Williamson
Secretary

Date 25 February 2003

DAWCASTLE LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF DAWCASTLE LIMITED

We have audited the financial statements of Dawcastle Limited for the year ended 30 June 2002 on pages 4 to 9, which have been prepared on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom 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 report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

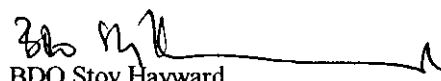
Basis of audit opinion

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 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 30 June 2002 and its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO Stoy Hayward
Chartered Accountants and Registered Auditors
London

Date 27/2/03

DAWCASTLE LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 30 June 2002

	Note	2002 £	2001 £
Administrative expenses		(1,074)	(15,018)
Operating loss	2	(1,074)	(15,018)
Interest payable	4	(101)	(1,098)
Interest receivable	5	163	12,392
Loss on ordinary activities before taxation		(1,012)	(3,724)
Taxation	6	12,103	745
Retained profit/(loss) for the year	11	11,091	(2,979)

All amounts relate to continuing activities.

The company made no recognised gains or losses in the year, other than those included in the profit and loss account.

The notes on pages 6 to 9 form part of these financial statements

DAWCASTLE LIMITED

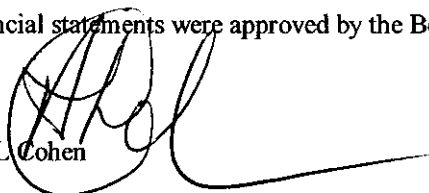
BALANCE SHEET at 30 June 2002

	Note	2002 £	2001 £
Current assets			
Debtors	7	1,424,653	1,440,349
Cash at bank		852	11,711
		<hr/>	<hr/>
		1,425,505	1,452,060
Creditors: Amounts falling due within one year	8	(1,000)	(38,646)
		<hr/>	<hr/>
Net assets		1,424,505	1,413,414
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	11	1,424,503	1,413,412
		<hr/>	<hr/>
Equity shareholders' funds	10	1,424,505	1,413,414
		<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 25 February 2003

Andrew L. Cohen
Director



The notes on pages 6 to 9 form part of these financial statements

DAWCASTLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 June 2002

1. ACCOUNTING POLICIES

Basis of accounting

The accounts are prepared in accordance with applicable accounting standards under the historical cost convention as modified by the revaluation of certain land and buildings.

In preparing these financial statements the company has adopted Financial Reporting Standard 19: Deferred Taxation for the first time.

Taxation

The charge for taxation takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Deferred tax balances are recognized in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- Deferred tax is not recognized on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- The recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Group undertakings are able to relieve their taxable losses by surrendering them to other group companies where capacity to utilise those losses exists. There is an agreement between members of this group that such losses will be paid for by the recipient company. Where there is reasonable certainty that taxable losses can be relieved, the group relief receivable or payable is included in the taxation charge or credit for the year.

2. OPERATING LOSS

Operating loss is arrived at after charging:

	2002 £	2001 £
Auditors' remuneration	1,000	1,000

3. EMPLOYEE INFORMATION (INCLUDING DIRECTORS)

With the exception of the directors, there were no employees during the year. The directors received no remuneration during the year.

4. INTEREST PAYABLE

	2002 £	2001 £
Interest payable on bank overdrafts	101	69
Interest on group balances	-	1,029
	101	1,098

DAWCASTLE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 June 2002****5. INTEREST RECEIVABLE**

	2002 £	2001 £
on bank balances	24	169
on group balances	-	12,034
from others	139	189
	<u>163</u>	<u>12,392</u>

6. TAXATION ON PROFIT FROM ORDINARY ACTIVITIES

	2002 £	2001 £
Current Tax		
UK corporation tax on profits of the year	-	-
Receivable from group undertakings for tax saved by group relief	(304)	(745)
Adjustment in respect of previous years	(11,799)	-
Total current tax	<u>(12,103)</u>	<u>(745)</u>

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	2002 £	2001 £
Loss on ordinary activities before tax	(1,012)	(3,724)
Loss on ordinary activities at the standard rate of Corporation tax in the UK of 30% (2001 – 20%)	(304)	(745)
Effects of:		
Expenses not deductible for tax purposes	-	-
Capital allowances for year in excess of depreciation	-	-
Adjustment to tax charge in respect of previous years	(11,799)	-
Current tax charge for year	<u>(12,103)</u>	<u>(745)</u>

7. DEBTORS

	2002 £	2001 £
Amounts due from group undertakings	1,424,653	1,440,349

All amounts shown in debtors fall due for repayment within one year

DAWCASTLE LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 June 2002****8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2002	2001
	£	£
Corporation tax	-	11,796
Other creditors	1,000	26,850
	<u>1,000</u>	<u>38,646</u>

9. SHARE CAPITAL

	2002	2001
	£	£
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, issued and fully paid		
2 Ordinary shares of £1 each	2	2

10. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Total recognised gains/(losses)	11,091	(2,979)
Opening shareholders' funds	1,413,414	1,416,393
	<u>1,424,505</u>	<u>1,413,414</u>

11. RESERVES

	Profit and loss account £
At 1 July 2001	1,413,412
Retained profit for the year	11,091
	<u>1,424,503</u>

DAWCASTLE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 June 2002

12. RELATED PARTIES TRANSACTIONS

During the year the company received £nil (2001: £12,034) of interest on a loan to a related company, Tamefield Ltd, which is related by common control.

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related Party Transactions", not to disclose any transactions with 100%-owned subsidiaries of Wood Hall Securities Limited that are included in its consolidated financial statements.

13. CASH FLOW STATEMENT

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as it is consolidated in the financial statements of its ultimate parent company.

14. ULTIMATE PARENT COMPANY

The company's ultimate parent company is Wood Hall Securities Limited, whose consolidated financial statements are available from Companies House.