

OPECPRIME PROPERTIES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
30 JUNE 2002

MICHAEL MOOR
Chartered Accountant & Registered Auditor
190 Clonkeen Road
Blackrock
Dublin
Ireland



OPECPRIME PROPERTIES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2002

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Independent auditor's report to the company	4
Abbreviated profit and loss account	5
Abbreviated balance sheet	6
Cash flow statement	7
Notes to the abbreviated financial statements	9

OPECPRIME PROPERTIES LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Luke Comer Brian Comer Thomas Donnellan
Company secretary	Grosvenor Financial Nominees Ltd.
Registered office	277 Green Lanes London N13 4XS
Auditor	Michael Moor Chartered Accountant & Registered Auditor 190 Clonkeen Road Blackrock Dublin Ireland
Bankers	Bank of Ireland 727 High Road, Finchley, London. N12 0BJ Anglo Irish Bank Corporation plc 10 Old Jewry London EC2R 8DN
Solicitors	Jonathan S. Rose 693 High Road, Finchley, London. N12 0DA

OPECPRIME PROPERTIES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2002

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was property dealing.

The company had another successful year. The majority of its income arises from the provision of management to related companies and it will continue to provide such services in the coming year and the Directors anticipate a similar result.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 June 2002	At 1 July 2001
Luke Comer	450	450
Brian Comer	330	330
Thomas Donnellan	<u>220</u>	<u>220</u>

DIRECTORS' RESPONSIBILITIES

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

DONATIONS

During the year the company made the following contributions:

	2002 £	2001 £
Charitable	<u>784</u>	<u>684</u>

OPECPRIME PROPERTIES LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2002

POST BALANCE SHEET EVENT

There were no important events affecting the company since the year end.

AUDITOR

A resolution to re-appoint Michael Moor as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
277 Green Lanes
London
N13 4XS

Signed by order of the directors



GROSVENOR FINANCIAL NOMINEES LTD.
Company Secretary

Approved by the directors on 12 June 2003

OPECPRIME PROPERTIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

I have examined the abbreviated accounts on pages 5 to 13, together with the financial statements of the company for the year ended 30 June 2002 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's shareholders, as a body, in accordance with Section 247B of the Companies Act 1985. My audit work has been undertaken so that I might state to the company's shareholders those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for my audit work, for this report, or for the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is my responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

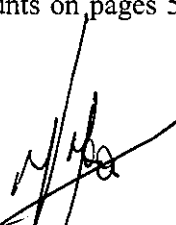
BASIS OF AUDIT OPINION

I have carried out the procedures I consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of my work for the purpose of this report did not include examining or dealing with events after the date of my report on the financial statements.

OPINION

In my opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 5 to 13 are properly prepared in accordance with those provisions.

190 Clonkeen Road
Blackrock
Dublin
Ireland



MICHAEL MOOR
Chartered Accountant
& Registered Auditor

12 June 2003

OPECPRIME PROPERTIES LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2002

	Note	2002 £	2001 £
GROSS PROFIT		3,676,560	4,034,619
Administrative expenses		<u>1,342,145</u>	<u>875,517</u>
OPERATING PROFIT	2	2,334,415	3,159,102
Interest receivable		3,312	9,559
Interest payable and similar charges	5	<u>(837,777)</u>	<u>(982,189)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>1,499,950</u>	<u>2,186,472</u>
Tax on profit on ordinary activities	6	442,973	691,226
RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>1,056,977</u>	<u>1,495,246</u>
Balance brought forward		<u>5,433,077</u>	<u>3,937,831</u>
Balance carried forward		<u>6,490,054</u>	<u>5,433,077</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

OPECPRIME PROPERTIES LIMITED

BALANCE SHEET

30 JUNE 2002

	Note	2002 £	£	2001 £	£
CURRENT ASSETS					
Stocks	7	16,590,147		16,482,162	
Debtors	8	19,342,637		11,839,220	
Cash at bank		447,162		87,188	
		<u>36,379,946</u>		<u>28,408,570</u>	
CREDITORS: Amounts falling due within one year	9	<u>29,653,892</u>		<u>22,739,493</u>	
NET CURRENT ASSETS			<u>6,726,054</u>		<u>5,669,077</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,726,054</u>		<u>5,669,077</u>
CREDITORS: Amounts falling due after more than one year	10		<u>235,000</u>		<u>235,000</u>
			<u>6,491,054</u>		<u>5,434,077</u>
CAPITAL AND RESERVES					
Called-up equity share capital	14		1,000		1,000
Profit and Loss Account			<u>6,490,054</u>		<u>5,433,077</u>
SHAREHOLDERS' FUNDS	15		<u>6,491,054</u>		<u>5,434,077</u>

These accounts have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 12 June 2003 and are signed on their behalf by:

LUKE COMER

BRIAN COMER




OPECPRIME PROPERTIES LIMITED

CASH FLOW STATEMENT

YEAR ENDED 30 JUNE 2002

	2002		2001	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		1,982,128		2,403,187
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	3,312		9,559	
Interest paid	<u>(638,479)</u>		<u>(981,903)</u>	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(635,167)		(972,344)
TAXATION		(730,622)		(330,943)
CASH INFLOW BEFORE FINANCING		<u>616,339</u>		<u>1,099,900</u>
FINANCING				
Net inflow from other long-term creditors	—		<u>35,000</u>	
NET CASH INFLOW FROM FINANCING		—		35,000
INCREASE IN CASH		<u>616,339</u>		<u>1,134,900</u>
RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES				
		2002		2001
		£		£
Operating profit		2,334,415		3,159,102
Increase in stocks		(107,985)		(755,773)
Increase in debtors		(7,503,417)		(3,810,418)
Increase in creditors		7,259,115		3,810,276
Net cash inflow from operating activities		<u>1,982,128</u>		<u>2,403,187</u>

OPECPRIME PROPERTIES LIMITED

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 30 JUNE 2002

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2002		2001	
	£	£	£	£
Increase in cash in the period	616,339		1,134,900	
Net cash (inflow) from other long-term creditors	<u>—</u>		<u>(35,000)</u>	
		616,339		1,099,900
Change in net debt		616,339		1,099,900
Net debt at 1 July 2001		<u>(10,951,247)</u>		<u>(12,051,147)</u>
Net debt at 30 June 2002		<u>(10,334,908)</u>		<u>(10,951,247)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jul 2001	Cash flows	At 30 Jun 2002
	£	£	£
Net cash:			
Cash in hand and at bank	87,188	359,974	447,162
Overdrafts	<u>(10,803,435)</u>	<u>256,365</u>	<u>(10,547,070)</u>
	<u>(10,716,247)</u>	<u>616,339</u>	<u>(10,099,908)</u>
Debt:			
Debt due after 1 year	<u>(235,000)</u>	—	<u>(235,000)</u>
Net debt	<u>(10,951,247)</u>	<u>616,339</u>	<u>(10,334,908)</u>

OPECPRIME PROPERTIES LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2002

1. ACCOUNTING POLICIES**Basis of accounting**

The financial statements have been prepared under the historical cost convention.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Cost represents the total purchase costs and other ancillary professional fees but does not include any interest payable. Net realisable value is the amount at which properties can be sold in the normal course of business after allowing for the costs of realisation.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2002	2001
	£	£
Auditor's remuneration		
- as auditor	3,000	3,000
- for other services	<u>4,500</u>	<u>4,500</u>

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2002	2001
	No	No
Number of management staff	<u>3</u>	<u>3</u>

The aggregate payroll costs of the above were:

	2002	2001
	£	£
Wages and salaries	268,871	353,177
Social security costs	30,277	41,278
Other pension costs	<u>300,000</u>	—
	<u>599,148</u>	<u>394,455</u>

OPECPRIME PROPERTIES LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2002

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2002	2001
	£	£
Emoluments receivable	268,871	353,177
Value of company pension contributions to money purchase schemes	<u>300,000</u>	—
	<u>568,871</u>	<u>353,177</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	2002	2001
	No	No
Money purchase schemes	<u>3</u>	<u>3</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2002	2001
	£	£
Interest payable on bank borrowing	818,977	920,625
Other similar charges payable	<u>18,800</u>	<u>61,564</u>
	<u>837,777</u>	<u>982,189</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002	2001
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 30% (2001 - 30%)	450,000	666,000
Over/under provision in prior year	<u>(7,027)</u>	<u>25,226</u>
Total current tax	<u>442,973</u>	<u>691,226</u>

7. STOCKS

	2002	2001
	£	£
Stock	<u>16,590,147</u>	<u>16,482,162</u>

The company's stock of property is included in the accounts in accordance with the accounting policy detailed in note 1. One of the company's properties was valued on an open market basis on 4th May 1994 by Kelmsley Whiteley & Ferris, Surveyors and Valuers, 1 London Wall Buildings, London EC2M 5RJ at £300,000 and is included at that valuation.

OPECPRIME PROPERTIES LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2002

8. DEBTORS

	2002	2001
	£	£
VAT recoverable	6,942,090	388,384
Other debtors	12,397,197	11,449,994
Prepayments and accrued income	3,350	842
	<u>19,342,637</u>	<u>11,839,220</u>

9. CREDITORS: Amounts falling due within one year

	2002	2001
	£	£
Bank loans and overdrafts	10,547,070	10,803,435
Other creditors including taxation and social security:		
Corporation tax	1,104,141	1,391,790
PAYE and social security	36,502	118,427
Other creditors	17,533,710	10,195,227
Directors current accounts	1,570	-
	<u>29,222,993</u>	<u>22,508,879</u>
Accruals and deferred income	430,899	230,614
	<u>29,653,892</u>	<u>22,739,493</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2002	2001
	£	£
Bank loans and overdrafts	<u>10,547,070</u>	<u>10,803,435</u>

Anglo Irish Bank Corporation plc hold a debenture to incorporate a first fixed legal charge over the company's property as follows:

320 Ruislip Road, East Greenford, Middlesex,
439/445 Godstone Road, Whyteleafe, Caterham, Surrey
Maritime House, Green's End, Thomas Street, Woolwich.

10. CREDITORS: Amounts falling due after more than one year

	2002	2001
	£	£
Other creditors:		
Other creditors	<u>235,000</u>	<u>235,000</u>

11. PENSIONS

The company contributed £300,000 to the pension scheme during the year.

OPECPRIME PROPERTIES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2002

12. CONTINGENCIES

The company has guaranteed the indebtedness of Opecprime Development Ltd. to Bank of Ireland, Finchley, which amounted to £203,097 at the year end.

The company acts as guarantors to Anglo Irish Bank Corporation plc for cross collateral loan facilities extended to Brookstream Properties Ltd., Sancroft Properties Ltd., Balcraft Properties Ltd., Ridgeland Properties Ltd. and Miltonland Ltd. The liabilities outstanding to the bank in these companies at the year end was as follows:

Brookstream Properties Ltd.	£1,107,202
Sancroft Properties Ltd.	3,600,289
Balcraft Properties Ltd.	2,009,735
Ridgeland Properties Ltd.	49,199,189

13. RELATED PARTY TRANSACTIONS

The company was under the control of the majority shareholders, Mr. L.A. Comer and Mr. B.M. Comer during the current and previous year.

The indebtedness of related companies at the year end was as follows:

Brookstream Properties Ltd.	£1,277,600
Chantstream Ltd.	7,086,429
Rossmark Properties Ltd.	1,001,286
Carlson Properties Ltd.	1,010,329
Roseplot Properties Ltd.	1,165,900
Megadene Ltd.	287,144
Arrowforce Ltd.	292,475

These amounts are included in other debtors.

The indebtedness to related companies at the year end was as follows:

Opecprime Development Ltd.	£1,395,397
Opecprime Ltd.	24,541
Miltonland Ltd.	1,183,310
Beckfield Ltd.	99,084
Blessville Ltd.	270,256
Palacemews Properties Ltd.	4,223,108
Balcraft Properties Ltd.	654,275
Sancroft Properties Ltd.	1,364,817
Ridgeland Properties Ltd.	6,691,828
Seapark Properties Ltd.	545,074

These amounts are included in other creditors.

The notes above on Creditors and Contingent Liabilities contain further information regarding related parties.

OPECPRIME PROPERTIES LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2002

14. SHARE CAPITAL**Authorised share capital:**

	2002	2001
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2002		2001	
	No	£	No	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002		2001	
	£		£	
Profit for the financial year	1,056,977		1,495,246	
Opening shareholders' equity funds	<u>5,434,077</u>		<u>3,938,831</u>	
Closing shareholders' equity funds	<u>6,491,054</u>		<u>5,434,077</u>	