

**OPECPRIME PROPERTIES LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**FOR**  
**30 JUNE 2001**



**MICHAEL MOOR**

Chartered Accountant & Registered Auditor  
190 Clonkeen Road,  
Blackrock,  
Co. Dublin.

**OPECPRIME PROPERTIES LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2001**

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**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,  
Co. Dublin.

**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 2001

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2001.

#### 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.

The company purchased the Royal Sea Bathing Hospital, Margate during the year and is pursuing the acquisition of planning permission for conversion to residential units.

#### 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 2001	At 1 July 2000
Luke Comer	450	450
Brian Comer	330	330
Thomas Donnellan	220	220

#### 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 8, 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.

#### POST BALANCE SHEET EVENT

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

# OPECPRIME PROPERTIES LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2001

### 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  
N12 0DA

Signed by order of the directors



A. GROSVENOR FINANCIAL NOMINEES LTD.  
Company Secretary

Approved by the directors on 31 May 2002

**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 14, together with the financial statements of the company for the year ended 30 June 2001 prepared under Section 226 of the Companies Act 1985.

**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.

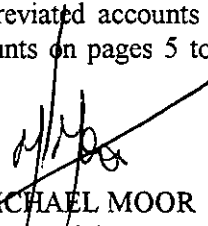
**BASIS OF OPINION**

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 14 are properly prepared in accordance with those provisions.

190 Clonkeen Road,  
Blackrock,  
Co. Dublin.

  
MICHAEL MOOR  
Chartered Accountant  
& Registered Auditor

31 May 2002

**OPECPRIME PROPERTIES LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 JUNE 2001**

	Note	2001 £	2000 £
<b>GROSS PROFIT</b>		3,881,122	3,374,938
Administrative expenses		<u>722,020</u>	<u>576,200</u>
<b>OPERATING PROFIT</b>	<b>2</b>	<b>3,159,102</b>	<b>2,798,738</b>
Interest receivable		9,559	3,478
Interest payable and similar charges	<b>5</b>	<u>(982,189)</u>	<u>(589,882)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>2,186,472</u>	<u>2,212,334</u>
Tax on profit on ordinary activities	<b>6</b>	<u>(691,226)</u>	<u>(703,612)</u>
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		<u>1,495,246</u>	<u>1,508,722</u>
Balance brought forward		<u>3,937,831</u>	<u>2,429,109</u>
Balance carried forward		<u><u>5,433,077</u></u>	<u><u>3,937,831</u></u>

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

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

## OPECPRIME PROPERTIES LIMITED

## ABBREVIATED BALANCE SHEET

30 JUNE 2001


	Note	2001	2000
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	7	-	-
<b>CURRENT ASSETS</b>			
Stocks	8	16,482,162	15,726,389
Debtors	9	11,839,220	8,028,802
Cash at bank		87,188	65,897
		<u>28,408,570</u>	<u>23,821,088</u>
<b>CREDITORS: Amounts falling due within one year</b>	10	<u>(22,739,493)</u>	<u>(19,682,257)</u>
<b>NET CURRENT ASSETS</b>		<u>5,669,077</u>	<u>4,138,831</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,669,077</u>	<u>4,138,831</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	11	<u>(235,000)</u>	<u>(200,000)</u>
		<u>5,434,077</u>	<u>3,938,831</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	15	1,000	1,000
Profit and Loss Account		<u>5,433,077</u>	<u>3,937,831</u>
<b>SHAREHOLDERS' FUNDS</b>	16	<u>5,434,077</u>	<u>3,938,831</u>

These financial statements 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 31 May 2002 and are signed on their behalf by:

LUKE COMER

BRIAN COMER



## OPECPRIME PROPERTIES LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 30 JUNE 2001

	Note	2001		2000	
		£	£	£	£
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	17		2,403,187		(9,974,375)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>					
Interest received		9,559		3,478	
Interest paid		(981,903)		(555,729)	
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			(972,344)		(552,251)
<b>TAXATION</b>			(330,943)		(87,815)
<b>CASH INFLOW/(OUTFLOW) BEFORE FINANCING</b>			1,099,900		(10,614,441)
<b>FINANCING</b>					
Net inflow from other long-term creditors		35,000		-	
<b>NET CASH INFLOW FROM FINANCING</b>			35,000		-
<b>INCREASE/(DECREASE) IN CASH</b>	18		<u>1,134,900</u>		<u>(10,614,441)</u>

**OPECPRIME PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2001**

**1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor Vehicles	-	20% reducing balance
Equipment	-	15% reducing balance

**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:

	2001	2000
	£	£
Depreciation	-	284
Auditor's remuneration		
- as auditor	3,000	3,000
- accountancy	4,500	4,500
	<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:

	2001	2000
	No.	No.
Number of management staff	<u>3</u>	<u>3</u>

**OPECPRIME PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2001**

**3. PARTICULARS OF EMPLOYEES** *(continued)*

The aggregate payroll costs of the above were:

	2001	2000
	£	£
Wages and salaries	353,177	147,629
Social security costs	41,278	16,420
Other pension costs	-	150,000
	<u>394,455</u>	<u>314,049</u>

**4. DIRECTORS' EMOLUMENTS**

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

	2001	2000
	£	£
Emoluments receivable	353,177	147,629
Value of company pension contributions to money purchase schemes	-	150,000
	<u>353,177</u>	<u>297,629</u>

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

	2001	2000
	No.	No.
Money purchase schemes	<u>3</u>	<u>3</u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2001	2000
	£	£
Interest payable on bank borrowing	920,625	571,523
Other similar charges payable	61,564	18,359
	<u>982,189</u>	<u>589,882</u>

**6. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2001	2000
	£	£
In respect of the year:		
Corporation Tax based on the results for the year at 30% (2000 - 30%)	666,000	665,000
Adjustment in respect of previous years:		
Corporation Tax	25,226	38,612
	<u>691,226</u>	<u>703,612</u>

**OPECPRIME PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2001**

**7. TANGIBLE FIXED ASSETS**

	Equipment £
<b>COST</b>	
At 1 July 2000	8,011
Disposals	<u>(8,011)</u>
<b>At 30 June 2001</b>	<u>-</u>
 <b>DEPRECIATION</b>	
At 1 July 2000	8,011
On disposals	<u>(8,011)</u>
<b>At 30 June 2001</b>	<u>-</u>
 <b>NET BOOK VALUE</b>	
<b>At 30 June 2001</b>	<u>-</u>

**8. STOCKS**

	2001 £	2000 £
Stock	<u>16,482,162</u>	<u>15,726,389</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.

**9. DEBTORS**

	2001 £	2000 £
VAT recoverable	388,384	300,828
Other debtors	11,449,994	7,727,974
Prepayments and accrued income	842	-
	<u>11,839,220</u>	<u>8,028,802</u>

**10. CREDITORS: Amounts falling due within one year**

	2001 £	2000 £
Bank loans and overdrafts	10,803,435	11,917,044
Corporation Tax	1,391,790	1,031,507
Other taxation and social security	118,427	94,248
Other creditors	10,195,227	6,331,540
Accruals and deferred income	230,614	307,918
	<u>22,739,493</u>	<u>19,682,257</u>

**OPECPRIME PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2001**

**10. CREDITORS: Amounts falling due within one year** *(continued)*

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

	2001 £	2000 £
Bank loans and overdrafts	<u>10,803,435</u>	<u>11,801,667</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.

**11. CREDITORS: Amounts falling due after more than one year**

	2001 £	2000 £
Other creditors	<u>235,000</u>	<u>200,000</u>

**12. DIRECTORS' ACCOUNTS**

The company was indebted to Mr. L.A. Comer in the sum of £0 (2000 - £72). This amount is shown under other creditors.

**13. CONTINGENCIES**

The company has guaranteed the indebtedness of Opecprime Development Ltd. to Bank of Ireland, Finchley, which amounted to £44,401 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., Balcraff 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.	£2,823,996
Sancroft Properties Ltd.	4,717,069
Balcraff Properties Ltd.	1,974,146
Ridgeland Properties Ltd.	4,530,851
Miltonland Ltd.	nil

**OPECPRIME PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2001**

**14. 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.	£156,793
Chantstream Ltd.	7,250,258
Rossmark Properties Ltd.	978,339
Carlson Properties Ltd.	1,147,676
Roseplot Properties Ltd.	1,304,885
Balcraff Properties Ltd.	6,877
Megadene Ltd.	187,282
Arrowforce Ltd.	273,601

These amounts are included in other debtors.

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

Opecprime Development Ltd.	£2,247,501
Opecprime Ltd.	24,910
Miltonland Ltd.	192,649
Beckfield Ltd.	99,177
Blessville Ltd.	262,847
Palacemews Properties Ltd.	3,428,632
Balcraff Properties Ltd.	972,472
Sancroft Properties Ltd.	853,232
Ridgeland Properties Ltd.	495,650
Seapark Properties Ltd.	518,157

These amounts are included in other creditors.

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

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

	2001	2000
	£	£
10,000 Ordinary shares of £1.00 each	<u>10,000</u>	<u>10,000</u>
<b>Allotted, called up and fully paid:</b>		
	2001	2000
	£	£
Ordinary share capital	<u>1,000</u>	<u>1,000</u>

**OPECPRIME PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2001**

**16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2001 £	2000 £
Profit for the financial year	1,495,246	1,508,722
Opening shareholders' equity funds	<u>3,938,831</u>	<u>2,430,109</u>
Closing shareholders' equity funds	<u>5,434,077</u>	<u>3,938,831</u>

**17. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

	2001 £	2000 £
Operating profit	3,159,102	2,798,738
Depreciation	-	284
Increase in stocks	(755,773)	(13,346,454)
Increase in debtors	(3,810,418)	(1,546,389)
Increase in creditors	3,810,276	2,119,446
Net cash inflow/(outflow) from operating activities	<u>2,403,187</u>	<u>(9,974,375)</u>

**18. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2001		2000	
	£	£	£	£
Increase/(Decrease) in cash in the period	1,134,900		(10,614,441)	
Net cash inflow from other long-term creditors	<u>(35,000)</u>		-	
		<u>1,099,900</u>		<u>(10,614,441)</u>
Change in net debt		1,099,900		(10,614,441)
Net debt at 1 July 2000		<u>(12,051,147)</u>		<u>(1,436,705)</u>
Net debt at 30 June 2001		<u>(10,951,247)</u>		<u>(12,051,147)</u>

**OPECPRIME PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2001**

**19. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 Jul 2000 £	Cash flows £	At 30 Jun 2001 £
Net cash:			
Cash in hand and at bank	65,897	21,291	87,188
Overdrafts	(11,917,044)	1,113,609	(10,803,435)
	<u>(11,851,147)</u>	<u>1,134,900</u>	<u>(10,716,247)</u>
Debt:			
Debt due after 1 year	(200,000)	(35,000)	(235,000)
Net debt	<u>(12,051,147)</u>	<u>1,099,900</u>	<u>(10,951,247)</u>