

OPECPRIME PROPERTIES LIMITED
ABBREVIATED ACCOUNTS
FOR
30 JUNE 2003



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

OPECPRIME PROPERTIES LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 2003

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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 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 2003

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2003.

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 2003	At 1 July 2002
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 consistently;

make judgements and estimates that are reasonable and prudent; 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 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.

OPECPRIME PROPERTIES LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2003

DONATIONS

During the year the company made the following contributions:

	2003	2002
	£	£
Charitable	<u>307</u>	<u>784</u>

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 5 May 2004

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 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, 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 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
Dublin
Ireland

5 May 2004


MICHAEL MOOR
Chartered Accountant
& Registered Auditor

OPECPRIME PROPERTIES LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2003

	Note	2003 £	2002 £
GROSS PROFIT		2,430,857	3,676,560
Administrative expenses		<u>1,227,753</u>	<u>1,342,145</u>
OPERATING PROFIT	2	1,203,104	2,334,415
Interest receivable		6,195	3,312
Interest payable and similar charges	5	<u>(859,336)</u>	<u>(837,777)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		349,963	1,499,950
Tax on profit on ordinary activities	6	<u>219,010</u>	<u>442,973</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR		130,953	1,056,977
Balance brought forward		<u>6,490,054</u>	<u>5,433,077</u>
Balance carried forward		<u><u>6,621,007</u></u>	<u><u>6,490,054</u></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

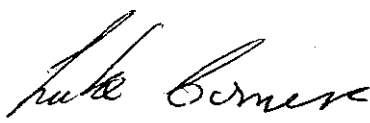
ABBREVIATED BALANCE SHEET

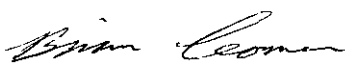
30 JUNE 2003

	Note	2003 £	£	2002 £	£
CURRENT ASSETS					
Stocks	7	17,932,576		16,590,147	
Debtors	8	16,872,297		19,342,637	
Cash at bank		136,198		447,162	
		<u>34,941,071</u>		<u>36,379,946</u>	
CREDITORS: Amounts falling due within one year	9	<u>28,084,064</u>		<u>29,653,892</u>	
NET CURRENT ASSETS			<u>6,857,007</u>		<u>6,726,054</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,857,007</u>		<u>6,726,054</u>
CREDITORS: Amounts falling due after more than one year	10		<u>235,000</u>		<u>235,000</u>
			<u>6,622,007</u>		<u>6,491,054</u>
CAPITAL AND RESERVES					
Called-up equity share capital	14		1,000		1,000
Profit and loss account			<u>6,621,007</u>		<u>6,490,054</u>
SHAREHOLDERS' FUNDS	15		<u>6,622,007</u>		<u>6,491,054</u>

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

These abbreviated accounts were approved by the directors on the 5 May 2004 and are signed on their behalf by:


LUKE COMER


BRIAN COMER

OPECPRIME PROPERTIES LIMITED

CASH FLOW STATEMENT

YEAR ENDED 30 JUNE 2003

	2003		2002	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		1,686,045		1,982,128
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	6,195		3,312	
Interest paid	<u>(1,093,073)</u>		<u>(638,479)</u>	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(1,086,878)		(635,167)
TAXATION		(768,161)		(730,622)
(DECREASE)/INCREASE IN CASH		<u>(168,994)</u>		<u>616,339</u>

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2003		2002	
	£	£	£	£
Operating profit	1,203,104		2,334,415	
Increase in stocks	(1,342,429)		(107,985)	
Decrease/(increase) in debtors	2,470,340		(7,503,417)	
(Decrease)/increase in creditors	<u>(644,970)</u>		<u>7,259,115</u>	
Net cash inflow from operating activities		<u>1,686,045</u>		<u>1,982,128</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2003		2002	
	£	£	£	£
(Decrease)/increase in cash in the period	<u>(168,994)</u>		<u>616,339</u>	
Change in net debt		(168,994)		616,339
Net debt at 1 July 2002		<u>(10,334,908)</u>		<u>(10,951,247)</u>
Net debt at 30 June 2003		<u>(10,503,902)</u>		<u>(10,334,908)</u>

The notes on pages 9 to 14 form part of these abbreviated accounts.

OPECPRIME PROPERTIES LIMITED

CASH FLOW STATEMENT *(continued)*

YEAR ENDED 30 JUNE 2003

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jul 2002 £	Cash flows £	At 30 Jun 2003 £
Net cash:			
Cash in hand and at bank	447,162	(310,964)	136,198
Overdrafts	<u>(10,547,070)</u>	<u>141,970</u>	<u>(10,405,100)</u>
	<u>(10,099,908)</u>	<u>(168,994)</u>	<u>(10,268,902)</u>
Debt:			
Debt due after 1 year	<u>(235,000)</u>	-	<u>(235,000)</u>
Net debt	<u><u>(10,334,908)</u></u>	<u><u>(168,994)</u></u>	<u><u>(10,503,902)</u></u>

The notes on pages 9 to 14 form part of these abbreviated accounts.

OPECPRIME PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 JUNE 2003

1. ACCOUNTING POLICIES**Basis of accounting**

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

Fixed assets

All fixed assets are initially recorded at cost.

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:

	2003	2002
	£	£
Directors' emoluments	374,854	268,871
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:

	2003	2002
	No	No
Number of management staff	<u>3</u>	<u>3</u>

The aggregate payroll costs of the above were:

	2003	2002
	£	£
Wages and salaries	374,854	268,871
Social security costs	61,268	30,277
Other pension costs	<u>549,776</u>	<u>300,000</u>
	<u>985,898</u>	<u>599,148</u>

OPECPRIME PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 JUNE 2003

4. DIRECTORS' EMOLUMENTS

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

	2003	2002
	£	£
Emoluments receivable	374,854	268,871
Value of company pension contributions to money purchase schemes	<u>549,776</u>	<u>300,000</u>
	<u>924,630</u>	<u>568,871</u>

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

	2003	2002
	No	No
Money purchase schemes	<u>3</u>	<u>3</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2003	2002
	£	£
Interest payable on bank borrowing	795,634	818,977
Other similar charges payable	<u>63,702</u>	<u>18,800</u>
	<u>859,336</u>	<u>837,777</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES**(a) Analysis of charge in the year**

	2003	2002
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 30% (2002 - 30%)	104,989	450,000
Over/under provision in prior year	<u>114,021</u>	<u>(7,027)</u>
Total current tax	<u>219,010</u>	<u>442,973</u>

OPECPRIME PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 JUNE 2003

6. TAX ON PROFIT ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2002 - 30%).

	2003 £	2002 £
Profit on ordinary activities before taxation	<u>349,963</u>	<u>1,499,950</u>
Profit/(loss) on ordinary activities by rate of tax	104,989	449,985
Adjustment in respect of prior years	114,021	(7,027)
Rounding	—	15
Total current tax (note 6(a))	<u>219,010</u>	<u>442,973</u>

7. STOCKS

	2003 £	2002 £
Stock	<u>17,932,576</u>	<u>16,590,147</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 as the directors are of the opinion that this still reflects its market value.

8. DEBTORS

	2003 £	2002 £
VAT recoverable	404,236	6,942,090
Other debtors	16,425,312	12,397,197
Prepayments and accrued income	42,749	3,350
	<u>16,872,297</u>	<u>19,342,637</u>

OPECPRIME PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 JUNE 2003

9. CREDITORS: Amounts falling due within one year

	2003 £	2002 £
Bank loans and overdrafts	10,405,100	10,547,070
Other creditors including taxation and social security:		
Corporation tax	554,990	1,104,141
PAYE and social security	77,815	36,502
Other creditors	16,645,779	17,533,710
Directors current accounts	-	1,570
	<u>27,683,684</u>	<u>29,222,993</u>
Accruals and deferred income	400,380	430,899
	<u>28,084,064</u>	<u>29,653,892</u>

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

	2003 £	2002 £
Bank loans and overdrafts	<u>10,405,100</u>	<u>10,547,070</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

	2003 £	2002 £
Other creditors:		
Other creditors	<u>235,000</u>	<u>235,000</u>

11. PENSIONS

The company contributed £549,766 to the pension scheme during the year.

12. CONTINGENCIES

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.	£1,106,562
Sancroft Properties Ltd.	2,419,760
Balcraft Properties Ltd.	1,974,146
Ridgeland Properties Ltd.	37,750,014

OPECPRIME PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 JUNE 2003

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:

Ridgeland Properties Ltd.	£4,591,123
Chantstream Ltd.	6,420,374
Rossmark Properties Ltd.	1,001,286
Carlson Properties Ltd.	915,951
Balcraft Properties Ltd.	1,805,958
Rossmark Properties Ltd.	1,082,333
Roseplot Properties Ltd.	947,039
Megadene Ltd.	356,401
Arrowforce Ltd.	254,975

These amounts are included in other debtors.

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

Opecprime Development Ltd.	£ 757,243
Opecprime Ltd.	24,526
Miltonland Ltd.	1,406,677
Beckfield Ltd.	89,338
Blessville Ltd.	193,038
Palacemews Properties Ltd.	3,873,869
Brookstream Properties Ltd.	6,065,300
Sancroft Properties Ltd.	3,708,678
Seapark Properties Ltd.	277,110

These amounts are included in other creditors.

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

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

	2003	2002
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

OPECPRIME PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 JUNE 2003

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
Profit for the financial year	130,953	1,056,977
Opening shareholders' equity funds	<u>6,491,054</u>	<u>5,434,077</u>
Closing shareholders' equity funds	<u>6,622,007</u>	<u>6,491,054</u>