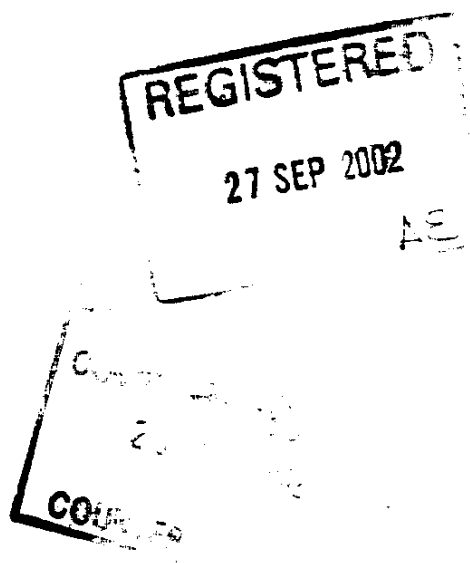




ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2001



JOHN GRAVES AND COMPANY

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**INDEPENDENT AUDITORS' REPORT TO GWM DEVELOPMENTS
LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 7 together with the full statutory accounts of **GWM DEVELOPMENTS LIMITED** prepared under section 226 of the Companies Act 1985 for the year ended 31 March 2001.

Respective responsibilities of directors and auditors

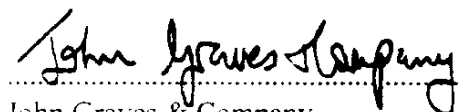
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246 A(3) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 7 are properly prepared in accordance with those provisions.



John Graves & Company
Chartered Accountants & Registered Auditors
85 University Street
Belfast, BT7 1HP



Date

GWM DEVELOPMENTS LIMITED**ABBREVIATED BALANCE SHEET
AS AT 31 MARCH 2001**

	<u>Notes</u>	£	£	<u>2000</u> £
FIXED ASSETS				
Tangible assets	2		47,010	133,427
Investments	3		3,600,133	3,713,054
			<u>3,647,143</u>	<u>3,846,481</u>
CURRENT ASSETS				
Stock - Development properties		4,193,101		4,184,027
Debtors		768,001		664,687
Cash at bank and in hand		82		208,369
		<u>4,961,184</u>		<u>5,057,083</u>
CREDITORS: Amounts falling due within one year	4	<u>(3,130,034)</u>		<u>(2,568,206)</u>
NET CURRENT ASSETS			1,831,150	2,488,877
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,478,293</u>	<u>6,335,358</u>
CREDITORS: Amounts falling due after one year	5		<u>(6,718,398)</u>	<u>(6,637,389)</u>
TOTAL NET LIABILITIES			<u>(1,240,105)</u>	<u>(302,031)</u>
CAPITAL AND RESERVES				
Equity Interests				
Ordinary share capital	6		750,000	750,000
Profit and loss account			(2,490,107)	(1,552,033)
Revaluation reserve			250,002	250,002
			<u>(1,481,371)</u>	<u>(552,031)</u>
Non-equity Interests				
Preference share capital	6		250,000	250,000
Shareholders funds			<u>(1,240,105)</u>	<u>(302,031)</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board on: *20th September 2002*

Director *[Signature]*

Director *[Signature]*

The notes set out on pages 3 to 7 form part of these financial statements

GWM DEVELOPMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

1 ACCOUNTING POLICIES

(a) Basis of accounting

These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed asset investments and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The accounts present information about the company as an individual undertaking and not about its group - see Note 3.

(b) Depreciation

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets on a reducing balance basis over their estimated useful lives to the business. The annual depreciation rates are as follows:

Motor Vehicles	33 %
Fixtures and fittings	20 %

(c) Investment in subsidiary undertakings

Investments in subsidiary undertakings are accounted for by the equity method whereby the original cost of the investment is adjusted, where material, for the movement in the underlying net assets applicable to the investments since their date of acquisition with a consequent adjustment to revaluation reserve

(d) Development Properties

These current assets are included in stock at the lower of cost and net realisable value. Cost for this purpose comprises the purchase cost of land and buildings, development expenditure including directly attributable fees, expenses and finance charges less related rental income.

(e) Assets leased

Where the company enters into operating and/or finance leases, its policy is to regard leases as finance leases where their term give rights approximating to ownership.

Assets held under finance leases (including hire purchase contracts) are capitalised at the fair value of the asset at the inception of the lease, with an equivalent liability - categorised as appropriate under creditors due within and after one year. Assets are depreciated over their useful economic life. Finance charges are allocated to accounting years over the life of each lease to produce a constant rate of charge on the outstanding balance.

Rental under operating leases are charged on a straight-line basis over the lease term.

(f) Deferred taxation

Provisions are made so that the deferred taxation account represents corporation tax, calculated on the liability method, in respect of all short-term timing differences and on other timing differences of a material amount, except to the extent that the directors are able to foresee that no liability is likely to arise from a reversal of the above timing differences for some considerable period.

GWM DEVELOPMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

2 TANGIBLE FIXED ASSETS

Cost	Total £
At 1 April 2000	213,605
Additions	5,835
Disposals	(82,000)
At 31 March 2001	<u>137,440</u>
Depreciation	
At 1 April 2000	80,178
Charge for the period	20,840
On disposals	(10,588)
At 31 March 2001	<u>90,430</u>

NET BOOK VALUE

At 31 March 2001	<u>47,010</u>
At 31 March 2000	<u>133,427</u>

Motor vehicles include the following amounts in relation to assets held under finance leases or hire purchase agreements:

	£
Net Book Value at 31 March 2001	35,573
Depreciation charge for the year	<u>17,520</u>

3 FIXED ASSET INVESTMENTS

	£	2000 £
Investment in subsidiary undertakings	3,588,133	3,701,054
Unlisted investments	12,000	12,000
	<u>3,600,133</u>	<u>3,713,054</u>

	Shares £	Loans £	Total £	2000 £
Investment in subsidiary undertakings at cost or valuation				
At beginning of year	3,352,456	487,282	3,839,738	3,403,976
Additional investments at cost	-	137,858	137,858	435,762
Provision against investment	(75,000)	(262,746)	(337,746)	(138,684)
Reclassification to debtors	-	(51,717)	(51,717)	-
At end of year	<u>3,277,456</u>	<u>310,677</u>	<u>3,588,133</u>	<u>3,701,054</u>

GWM DEVELOPMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

3 FIXED ASSET INVESTMENTS - Continued

Details of subsidiary undertakings:

	Description of shares held	Proportion of shares held	Principal activity	Cost/ Valuation
Rathmore Limited	'A' Ordinary £1 'B' Ordinary £1	78% 100%	Dormant	2,813,127
GWM Investments Limited	Ordinary £1	100%	Dormant	2
FCCS Shelf Company (No 5) Limited	Ordinary £1	100%	Property	125,001
Greenback Investments Limited	Ordinary £1	100%	Dormant	2
MDW Tax Consultants Limited	Ordinary £1	100%	Dormant	-
Raceview Limited	Ordinary £1	50%	Property	1
SCI Des Barrinques	- see below -	100%	Property	650,000
				<u>3,588,133</u>

In June 1999 the company paid **£75,000** for a 63% shareholding in MDW Tax Consultants Limited (formerly Russell Associates International Limited). A further **£105,499** was advanced by way of loans making a total investment of **£180,499**.

To date accounts have not been prepared for this company but the directors are of the opinion that it has traded at a loss since incorporation and accordingly have provided in full against the investment.

In July 1996 the company acquired the entire issued share capital, representing 2,520 shares of Ffr 383 each, in a French company "Societe Civile Immobiliere Des Barrinques", for consideration of Ffr 2,400,000 plus legal costs which translated to **£339,322**. Additional loans advanced to this company together with expenditure made on behalf of the company to the balance sheet date amounts to **£467,925** giving a total investment of **£807,247**. The sole asset of this company was a development property situated in the Rhone valley in France. This property has been sold subsequent to the year-end and the value of the investment has accordingly been written down to **£650,000** to reflect the sales consideration.

It is the understanding of the directors that the company meets the criteria for exemption from audit in France. No accounts have been prepared to date.

All subsidiary undertakings are incorporated in Northern Ireland except for Raceview Limited (Scotland) and S.C.I. Des Barrinques (France).

The company has availed of the exemption under section 248 of the Companies Act 1985 as the parent company of a small group from preparing group accounts. The following information has been extracted from the latest financial statements of the subsidiary undertakings with the exception of the subsidiaries as noted above.

GWM DEVELOPMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

3 FIXED ASSET INVESTMENTS - continued

	Profit/(Loss) for the year £	Total net assets at balance sheet date £
Rathmore Limited	<u>-</u>	<u>5,817,728</u>
GWM Investments Limited	<u>(495)</u>	<u>78,089</u>
Greenback Investment Limited	<u>(225)</u>	<u>274,721</u>
FCCS Shelf Company (No5) Limited	<u>(132,073)</u>	<u>578,814</u>

The above figures have been extracted from financial statements which are co-terminus with the holding company.

	£	2000 £
Unlisted investments - at cost		
Allied Waste Limited	<u>12,000</u>	<u>12,000</u>

The company owns 6.4% of the issued share capital of Allied Waste Limited, a private company registered in Northern Ireland.

4 SECURITY GIVEN FOR CREDITORS

	Due within one year £	2000 Due within one year £
Other secured loans	<u>170,000</u>	<u>20,000</u>

A £20,000 loan is secured on the shares held by the company in SCI Des Barrinques (See note 3).

A £ 150,000 loan is secured on land at Templepatrick.

5 ANALYSIS OF CREDITORS DUE AFTER ONE YEAR

All creditor balances are payable within five years of the balance sheet date.

GWM DEVELOPMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

6 SHARE CAPITAL

	£	2000 £
Authorised		
"A" Ordinary shares of £1 each	250,000	250,000
"C" Ordinary shares of £1 each	750,000	750,000
Redeemable convertible preference shares of £1 each	250,000	250,000
	<u>1,250,000</u>	<u>1,250,000</u>
Issued & fully paid		
"C" Ordinary shares of £1 each	750,000	750,000
Redeemable convertible preference shares of £1 each	250,000	250,000
	<u>1,000,000</u>	<u>1,000,000</u>

The preference shares previously owned by George Philip Properties Limited were sold in August 1996 to Mr John Walsh a director and shareholder in the company.

The shareholder did not exercise the option on 1 April 1996 to convert the preference shares into "A" Ordinary shares. The company was unable to redeem the shares on 1 May 1996 in accordance with the terms of issue.

The shares are generally non-voting and have a preferential right to return of capital, calculated on the same basis as the amount to be redeemed, on a winding up.

Dividends are receivable at the same rate as the ordinary shareholders, but in priority.