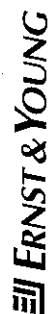


Beaver Developments Limited 1578823

Abbreviated Financial Statements

31 March 2003

 ERNST & YOUNG



Directors' report

Directors

T Healey (Chairman)
Z L Healey

Secretary

S M Cook

Auditors

Ernst & Young LLP
P O Box 3
Lowgate House
Lowgate
Hull
HU1 1JJ

Bankers

Bank of Scotland
Aldgate House
1/4 Market Place
Hull
HU1 1RA

Solicitors

Lockings
St Mary's Court
Lowgate
Hull
HU1 1YG

Registered office

Ferriby Hall
North Ferriby
East Yorkshire
HU14 3JP

Independent auditors' report to Beaver Developments Limited

Under Section 247B of the Companies Act 1985

We have examined the company's abbreviated financial statements for the year ended 31 March 2003 which comprise the Balance Sheet and the related notes 1 to 7 which have been prepared in accordance with applicable United Kingdom law, together with the company's financial statements for the year ended 31 March 2003 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company pursuant to section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our audit work, for this report, or for the opinions we have formed.

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 in accordance with section 246(5) 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 audit opinion

We have carried out the procedures we 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 our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246(5) of the Companies Act 1985, and the abbreviated accounts are properly prepared in accordance with those provisions.



Ernst & Young LLP
Hull

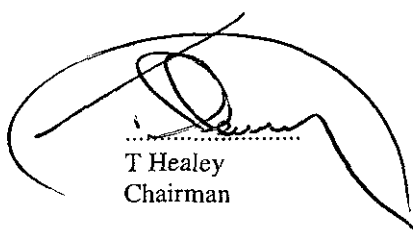
23 June 2003

Balance sheet

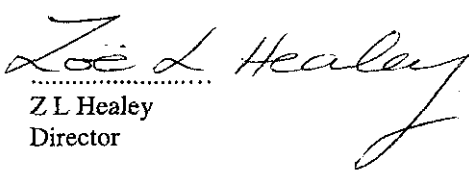
at 31 March 2003

	Notes	2003 £	2002 £
Fixed assets			
Tangible assets	2	735,846	538,922
Investments	3	37,435	37,435
		<u>773,281</u>	<u>576,357</u>
Current assets			
Debtors		63,416	8,814
Cash at bank and in hand		28,707	319,819
		<u>92,123</u>	<u>328,633</u>
Creditors: amounts falling due within one year	4	52,142	60,328
Net current assets		<u>39,981</u>	<u>268,305</u>
Total assets less current liabilities		<u>813,262</u>	<u>844,662</u>
Creditors: amounts falling due after more than one year	5	97,631	120,236
		<u>715,631</u>	<u>724,426</u>
Capital and reserves			
Called up share capital	6	5,000	5,000
Revaluation reserve		129,619	216,836
Profit and loss account		581,012	502,590
Equity shareholders' funds		<u>715,631</u>	<u>724,426</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).



T Healey
Chairman



Z L Healey
Director

23 June 2003

Notes to the financial statements

at 31 March 2003

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates each asset evenly over its expected useful life, as follows:

Office equipment	-	over 2 - 10 years
Motor vehicles	-	over 5 years

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Investment properties

In accordance with SSAP19 investment properties have been revalued and included in the balance sheet at open market value. The aggregate surplus is transferred to a revaluation reserve; no depreciation or amortisation is provided. The directors consider that this accounting policy results in the accounts giving a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amounts, which might otherwise have been shown, are not considered to be material in the context of these accounts.

Deferred taxation

During the account period the company adopted FRS 19 Deferred Taxation. No prior year adjustment has been made as, in the opinion of the directors, the amount is not material to require the restatement of prior years' accounts.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets; and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the financial statements

at 31 March 2003

1. Accounting policies (continued)

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

2. Tangible fixed assets

	<i>Freehold Property £</i>	<i>Fixtures & Fittings £</i>	<i>Motor Vehicles £</i>	<i>Total £</i>
Cost or valuation:				
At 1 April 2002	468,500	38,078	116,423	623,001
Additions	442,280	199	–	442,479
Disposals	(180,000)	–	(116,423)	(296,423)
At 31 March 2003	<u>730,780</u>	<u>38,277</u>	<u>–</u>	<u>769,057</u>
Depreciation:				
At 1 April 2002	–	30,971	53,108	84,079
Provided during the year	–	2,240	2,078	4,318
Disposals	–	–	(55,186)	(55,186)
At 31 March 2003	<u>–</u>	<u>33,211</u>	<u>–</u>	<u>33,211</u>
Net book value:				
At 31 March 2003	<u>730,780</u>	<u>5,066</u>	<u>–</u>	<u>735,846</u>
At 1 April 2002	<u>468,500</u>	<u>7,107</u>	<u>63,315</u>	<u>538,922</u>

In the opinion of the directors there has been no material change in the open market value of the properties since the previous year end. If they had never been revalued, the freehold properties would have been carried in the balance sheet at a cost of £601,161 (2002-£251,664).

Notes to the financial statements

at 31 March 2003

3. Investments

*Shares in group
companies
brought
forward
£*

Cost:

At 1 April 2002 & 31 March 2003

37,435

The fixed asset investment represents a holding of 33.3% (2002-33.3%) of the ordinary share capital of Stoneferry Estates Limited, a company registered in England and Wales. During the period to 30 April 2003, Stoneferry Estates Limited made a profit after tax of £506,963 and at the end of that period the aggregate of its capital and reserves was £1,047,413.

4. Creditors: amounts falling due within one year

	2003 £	2002 £
Current instalment due on bank loan	26,420	27,527
Obligations under finance leases and hire purchase contracts	—	1,796
Corporation tax	—	6,314
PAYE and social security	257	127
VAT payable	—	641
Directors current accounts	8,715	786
Other creditors	11,274	14,576
Accruals and deferred income	5,476	8,561
	<u>52,142</u>	<u>60,328</u>

The bank loan is secured.

5. Creditors: amounts falling due after more than one year

	2003 £	2002 £
Bank loan	<u>97,631</u>	<u>120,236</u>

Included within creditors falling due after more than one year is an amount of £nil (2002 - £14,328) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

Notes to the financial statements

at 31 March 2003

6. Share capital

	<i>Authorised</i>	
	2003	2002
	£	£
Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>

	<i>Allotted, called up and fully paid</i>			
	2003		2002	
	No.	£	No.	£
Ordinary shares of £1 each	5,000	<u>5,000</u>	5,000	<u>5,000</u>

7. Related party transactions

During the year, the company supplied services to Stoneferry Estates Limited to a value of £26,800 (2002-£23,621). The transactions were on a normal commercial terms.

At the balance sheet date there was an amount due from East Riding Gazette Limited of £25,000 (2002-£nil) and from Holderness Newspapers Limited of £21,000 (2002 - £nil). T Healey, a director, is also a director of East Riding Gazette Limited and Holderness Newspapers Limited.