

REPORT AND ACCOUNTS
1 SYDNEY ROAD (EXETER) NO.2
MANAGEMENT COMPANY LIMITED

30TH SEPTEMBER 2001



DIRECTORS

MR M A Clarke
MR M Johnson

SECRETARY

MR M A Clarke

AUDITORS

Ernst & Young LLP
Wessex House
19 Threefield Lane
Southampton
Hampshire
SO14 3QB

REGISTERED OFFICE

Weymouth Avenue
Dorchester
Dorset
DT1 1QT

REGISTERED NUMBER

02309809

DIRECTORS' REPORT

The Directors present their report and accounts for the year ended 30th September, 2001.

RESULTS AND DIVIDENDS

There was no excess or deficit of income over expenditure for the year ended 30th September, 2001.

The Directors do not recommend the payment of a dividend.

REVIEW OF THE BUSINESS

The company's principal activity during the year continued to be the management of the premises at 1 Sydney Road, Exeter, Devon. No change in this activity is planned for the future.

DIRECTORS AND THEIR INTERESTS

The Directors during the year were as follows:

MR M A Clarke
MR P W Phillipson - Resigned 3rd August 2001
Mr M Johnson - Appointed 20th August 2001

Neither of the Directors hold an interest in the share capital of the company.

AUDITORS

On 28 June 2001, Ernst & Young, the company's auditor, transferred its entire business to Ernst & Young LLP, a limited liability partnership incorporated under the LIMITED LIABILITY PARTNERSHIPS ACT 2000. The directors consented to treating the appointment of Ernst & Young as extending to Ernst & Young LLP with effect from 28 June 2001.

A resolution to re-appoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By the order of the Board



Secretary 11TH DECEMBER 2001

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the Directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * prepare the accounts 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 accounts comply with the Companies Act 1985. They 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 1 SYDNEY ROAD(EXETER)No.2 MANAGEMENT COMPANY LIMITED

We have audited the company's financial statements for the year ended 30 September 2001 which comprise Profit and Loss Account, Balance Sheet and the related notes 1 to 6. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

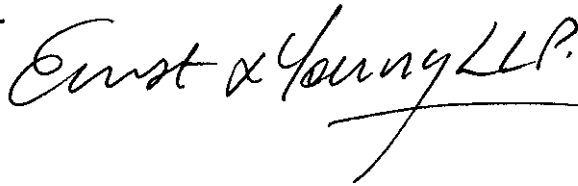
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 September 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Registered Auditor
London
11 December 2001

A handwritten signature in cursive script that reads "Ernst & Young LLP." The signature is written in black ink and is positioned to the right of the typed name.

1 SYDNEY ROAD (EXETER) NO. 2 MANAGEMENT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 30th September, 2001

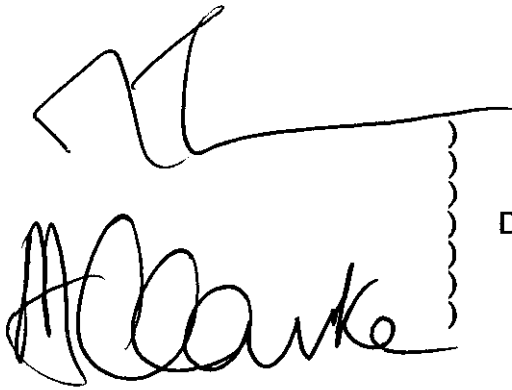
	Notes	2001 £	2000 £
Service Charges		3759	3146
Operating Costs	2	3759 -----	3146 -----
PROFIT ON ORDINARY ACTIVITIES		NIL -----	NIL -----
PROFIT FOR THE FINANCIAL YEAR		NIL -----	NIL -----

There are no recognised gains and losses other than the profit attributable to the shareholders of the company of £nil in the year to 30th September, 2001 and £ nil in the previous year.

1 SYDNEY ROAD (EXETER) NO. 2 MANAGEMENT COMPANY LIMITED

BALANCE SHEET
at 30th September, 2001

	Notes	2001 £	2000 £
CURRENT ASSETS			
Debtors	4	2636	1765
CREDITORS: amounts falling due within one year	5	2632	1761
		<hr/>	<hr/>
TOTAL ASSETS LESS LIABILITIES		4	4
CAPITAL AND RESERVES			
Called up share capital	6	4	4
		<hr/>	<hr/>



Directors 11TH DECEMBER 2001

NOTES TO THE ACCOUNTS
at 30th September, 2001

1. ACCOUNTING POLICIES

Accounting Convention

The accounts are prepared under the historical cost convention.

Service Charges

Service charges are credited to the profit and loss account in the year in which they are receivable.

2. OPERATING COSTS	2001 £	2000 £
Audit Fee	200	200
Other operating charges	3559	2946
	-----	-----
	3759	3146
	-----	-----

3. EMOLUMENTS OF DIRECTORS

The Chairman and other Directors received no emoluments.

4. DEBTORS	2001 £	2000 £
Other debtors	2636	1765
	-----	-----

5. CREDITORS: amounts falling due within one year	2001 £	2000 £
Other creditors	2632	1761
	-----	-----

6. CALLED UP SHARE CAPITAL	2001 £	2000 £
Authorised, allotted and fully paid:	4	4
Ordinary shares of £1 each	-----	-----