

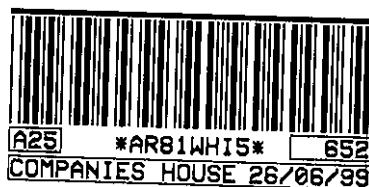
26/27 MEDWAY STREET MANAGEMENT LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 24 MARCH 1999

Company No: 2675234

MACCALLUM & CO
Chartered Accountants
29a Broadway
Peterborough PE1 1SQ



26/27 MEDWAY STREET MANAGEMENT LIMITED
YEAR ENDED 24 MARCH 1999

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DIRECTORS: J C O'Byrne
Miss A C Tustin

SECRETARY: P L Tann

REGISTERED OFFICE: 26-27 Medway Street
London SW1P 2BD

**ACCOUNTANTS &
AUDITORS:** Maccallum & Co
29a Broadway
Peterborough PE1 1SQ

26/27 MEDWAY STREET MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 24 MARCH 1999

The Directors present their report and financial statements for the Company for the year ended 24 March 1999

RESULTS

The result of the company was surplus after taxation of £1,702 (1998 - deficit £1) in the year. No dividend is to be paid.

REVIEW OF BUSINESS

The Company manages on behalf of its tenants 26/27 Medway Street, London SW1. No profit is sought from this activity. In addition it receives ground rent from the leaseholders in the property who are not shareholders of the company.

DIRECTORS' RESPONSIBILITIES

Company Law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the Company and of the profit or loss of the Company for that year. In preparing those financial statements, the Directors are required to:

- i) select suitable accounting policies and apply them consistently;
- ii) make judgements and estimates that are reasonable and prudent;
- iii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- iv) prepare the financial statements on an ongoing concern basis, unless it is inappropriate to presume that the Company will remain 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. 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.

DIRECTORS

The Directors during the year were

	Shares held at 24/3/99 & 25/3/98
J C O'Byrne	2
Mrs P Cornwall (resigned 17 August 1998)	2
Miss A C Tustin (appointed 17 August 1998)	2

BY ORDER OF THE BOARD



P L TANN
Secretary

11 June 1999

**ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS OF
26/27 MEDWAY STREET MANAGEMENT LIMITED
TO THE DIRECTORS OF THE COMPANY**

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 24 March 1999, set out on page 3 - 5, and you consider that the company is exempt from an audit under the Companies Act 1985 s249A. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and explanations given to us.



Chartered Accountants
29a Broadway
Peterborough PE1 1SQ

21 June 1999

26/27 MEDWAY STREET MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 24 MARCH 1999

	1999		1998
	£		£
Income from property	430		430
Dividends received	44		-
Interest received	444		62
Other income	1,723		-
Service charges due	30,750		27,219
Less: Service costs incurred	(30,750)		(27,219)
	-----		-----
	-		-
	-----		-----
Less: Operating costs	2,641		492
	(496)		(493)
	-----		-----
Surplus/(Deficit) before taxation	2,145		(1)
Less: Taxation	(443)		-
	-----		-----
Surplus/(Deficit) after taxation	1,702		(1)
Add: Reserves brought forward	256		257
	-----		-----
Reserves carried forward	1,958		256
	=====		=====

There are no gains or losses in the year other than shown in the Profit and Loss account for the year.

26/27 MEDWAY STREET MANAGEMENT LIMITED
BALANCE SHEET AS AT 24 MARCH 1999

	Note	£	1999 £	£	1998 £
FIXED ASSETS					
Investment property at cost of acquisition	1		21,523		21,523
CURRENT ASSETS					
Debtor		520		16	
Bank		7,265		5,625	
Monies held at bank for tenants	2	23,239		15,375	
		-----		-----	
			31,024		21,016
LESS: CURRENT LIABILITIES					
Creditors		473		472	
Corporation Tax		441		-	
Amount held on behalf of tenants		23,239		15,375	
		-----		-----	
			(24,153)		(15,847)
			-----		-----
			28,394		26,692
Less: Loans from shareholders		1,425		1,425	
Other loan		250		250	
		-----		-----	
			(1,675)		(1,675)
			-----		-----
			26,719		25,017
			=====		=====
CAPITAL AND RESERVES					
Share capital	3		22		22
Share premium account			24,739		24,739
Reserves			1,958		256
			-----		-----
			26,719		25,017
			=====		=====

These accounts were approved by the board of Directors on *11 June* 1999. The Directors confirm that:

- i) For the year ended 24 March 1999 the Company was entitled to an exemption from audit under the Companies Act 1985 section 249A.
- ii) No notice from members have been deposited under Companies Act 1985 s.249(B)(2) requiring an audit of the accounts for the year ended 24 March 1999.

The Directors acknowledge their responsibilities for ensuring that the Company keeps accounting records, which comply with S.221 of the Companies Act 1985 and for preparing accounts which give a true and fair view of the Company at 24 March 1999 and of its surplus for that year then ended in accordance with the requirements of S.226, and which otherwise comply with the requirements of this Act relating to accounts so far as applicable to the Company.

A Tustin

MISS A C TUSTIN

J C O'Byrne

J C O'BYRNE

26/27 MEDWAY STREET MANAGEMENT LIMITED

FOR THE YEAR ENDED 24 MARCH 1999

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

- (a) The Financial Statements are prepared under the historical cost convention.
- (b) Investment property is included at Directors' valuation which is considered to be the cost of acquisition.
- (c) Income from the property investment is treated on a receipts basis.

2. SINKING FUND

Included in the amounts due to tenants of £23,239, is £19,737 being the Sinking Fund. The movements on the Sinking Fund for the year were as follows:

Balance brought forward at 25 March 1998	£11,719
Transfer in the year ended 24 March 1999	7,500
Interest credited in the year	518

Balance carried forward at 24 March 1999	£19,737
	=====

3. SHARE CAPITAL

Authorised share capital - 100 shares of £1	£100	£100
	=====	=====
Issued share capital - 22 shares of £1	£22	£22
	=====	=====

4. MOVEMENTS IN SHAREHOLDER FUNDS

	£	£
Shareholder funds brought forward	25,017	25,018
Surplus (Deficit) in year	1,702	(1)
	-----	-----
Shareholder funds carried forward	26,719	25,017
	=====	=====