

26/27 MEDWAY STREET MANAGEMENT LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 24 MARCH 2003

Company No: 2675234

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



26/27 MEDWAY STREET MANAGEMENT LIMITED

YEAR ENDED 24 MARCH 2003

CONTENTS

	Page
Directors' Report	1
Accountants' Report	2
Profit and Loss Account	3
Balance Sheet	4
Notes to Accounts	5

DIRECTORS: Miss A C Tustin
A Cook

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 2003

The Directors present their report and financial statements for the Company for the year ended 24 March 2003.

RESULTS

The result of the company was a surplus after taxation of £125 (2002 - £88) 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.

SHARE ISSUE

During the year 2 £1 ordinary shares were issued for £2,251 cash.

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 24/3/03 & 25/3/02
Miss A C Tustin	2
A Cook	2

BY ORDER OF THE BOARD

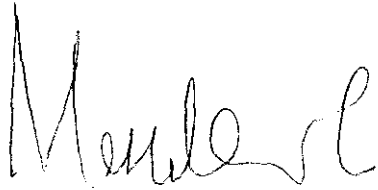


P L TANN
Secretary

S August 2003

**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 2002, set out on page 3 - 5, and you consider that the company is exempt from an audit under the Companies Act 1985 s249A(1). 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

12 August 2003

26/27 MEDWAY STREET MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 24 MARCH 2003

	2003 £	2002 £
Income from property	430	430
Interest received	170	172
Service charges due	40,926	38,108
Less: Service costs incurred	(40,926)	(38,108)
	-----	-----
	600	602
Less: Operating costs	(475)	(514)
	-----	-----
Surplus before taxation	125	88
Less: Taxation	-	-
	-----	-----
Surplus after taxation	125	88
	-----	-----
Add: Reserves brought forward	1,991	1,903
	-----	-----
Reserves carried forward	2,116	1,991
	=====	=====

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

The notes on page 5 form part of these financial statements

**26/27 MEDWAY STREET MANAGEMENT LIMITED
BALANCE SHEET AS AT 24 MARCH 2003**

	Note	£	2003 £	£	2002 £
FIXED ASSETS					
Investment property at cost of acquisition	1		21,523		21,523
CURRENT ASSETS					
Debtor		179		9	
Bank		9,732		7,540	
Monies held at bank for tenants	2	66,893		51,238	
		-----		-----	
			76,804		58,787
LESS: CURRENT LIABILITIES					
Creditors		631		645	
Amount held on behalf of tenants		66,893		51,238	
		-----		-----	
			(67,524)		(51,883)
			-----		-----
			30,803		28,427
Less: Loans from shareholders		1,425		1,425	
Other loan		250		250	
		-----		-----	
			(1,675)		(1,675)
			-----		-----
			29,128		26,752
			=====		=====
CAPITAL AND RESERVES					
Share capital	3		24		22
Share premium account			26,988		24,739
Reserves			2,116		1,991
			-----		-----
			29,128		26,752
			=====		=====

These accounts were approved by the board of Directors on *5 Aug* 2003. The Directors confirm that:

The Directors consider that the company is entitled to exemption from the requirement to have an audit under subsection (1) of section 249A. Members have not required the company to obtain an audit for the year in accordance with subsection (2) of section 249B of the Companies Act 1985.

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 2003 and of its deficit 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.

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

A Justin

MISS A C TUSTIN

26/27 MEDWAY STREET MANAGEMENT LIMITED

FOR THE YEAR ENDED 24 MARCH 2003

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 £66,893, are £48,442 being the Sinking Fund and £9,037 being the General Purposes Fund. The movements on these Funds for the year were as follows:

	Sinking Fund	General Purposes Fund
	£	£
Balance brought forward at 25 March 2002	42,590	5,940
Transfer in the year ended 24 March 2003	5,000	2,970
Interest credited	852	127
	-----	-----
Balance carried forward at 24 March 2003	£48,442	£9,037
	=====	=====

3. SHARE CAPITAL

	2003	2002
Authorised share capital - 100 shares of £1	£100	£100
	=====	=====
Issued share capital - 24 shares of £1	£24	£22
	=====	=====

During the year 2 £1 shares were issued for £2,251 cash. £2 was credited to the share capital account, and £2,249 was credited to the share premium account.