

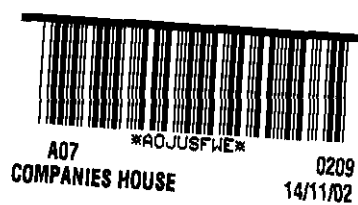
FOSTERS IMPERIAL STEAM LAUNDRY COMPANY LIMITED

DIRECTORS' REPORT

and

ACCOUNTS

31ST MARCH 2002



REPORT OF THE DIRECTORS

The Directors submit their Annual Report and the Audited Accounts of the Company for the year ended 31st March 2002.

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 these accounts, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- 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.

ACTIVITIES

The principal activities of the Company are property investment.

REVIEW OF THE BUSINESS

The Company results for the year are set out in the Profit and Loss Account on Page 4.

DIVIDENDS AND RESERVES

The directors do not recommend the payment of a dividend.

FIXED ASSETS

The Company invested £NIL in investment properties during the year.

REPORT OF THE DIRECTORS (Continued)

DIRECTORS AND THEIR SHARE INTERESTS

- a) The directors who served during the year and their interest in the shares of the Company at the beginning and at the end of the year were as follows:

		<u>H.A. Watts</u>	<u>L.G. Hicks</u>
<u>Fosters Imperial Steam Laundry Company Limited</u>			
Non-Beneficial	£5 Ordinary Shares	1	1
<u>Other Group Companies</u>			

The directors interests in other group companies are shown in the Directors Reports of those companies.

- b) In accordance with the Articles of Association, the director retiring by rotation is Mr. H.A. Watts.

AUDITORS

The present auditors, Alliotts, have expressed their willingness to continue in office and a resolution will be proposed at the Annual General Meeting to reappoint them.

This report is prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board



L.G. HICKS

Company Secretary

Registered Office,
105 Mitcham Lane,
Streatham,
LONDON SW16 6LY.

Company Number 33996

Date: 25. 09. 2002

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
FOSTERS IMPERIAL STEAM LAUNDRY COMPANY LIMITED

3.

We have audited the financial statements of Fosters Imperial Steam Laundry Company Limited for the year ended 31st March 2002 on pages 4 to 10.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom 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 the information specified by law regarding directors remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider 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 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 the company's affairs as at 31st March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Canterbury House,
Sydenham Road,
Croydon,
SURREY CR9 2DG.


ALLIOTTS
Chartered Accountants
Registered Auditors

Date: 25 September 2002

FOSTERS IMPERIAL STEAM LAUNDRY COMPANY LIMITED

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PROFIT AND LOSS ACCOUNTYEAR ENDED 31ST MARCH 2002

	<u>Notes</u>	<u>2002</u> <u>£</u>	<u>2001</u> <u>£</u>
<u>TURNOVER</u>	1b	11,065	8,052
<u>COST OF SALES</u>		-	1,205
<u>GROSSS PROFIT</u>		11,065	6,847
Administrative Expenses		(3,732)	(3,787)
Interest Receivable		255	541
Interest Payable		(2,000)	(2,500)
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>	3	5,588	1,101
Tax on Profit on Ordinary Activities	4	410	331
<u>PROFIT ON ORDINARY ACTIVITIES AFTER</u> <u>TAXATION AND TRANSFER TO RESERVES</u>	9	5,178 =====	770 =====

The results for the year and the previous year as set out above and derived entirely from continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSESYEAR ENDED 31ST MARCH 2002

	<u>2002</u> <u>£</u>	<u>2001</u> <u>£</u>
Profit for the financial year	5,178	770
Unrealised surplus on revaluation of properties	82,250	-
Total gains and losses recognised since last annual report	87,428 =====	770 =====

FOSTERS IMPERIAL STEAM LAUNDRY COMPANY LIMITED

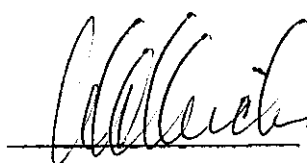
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BALANCE SHEET

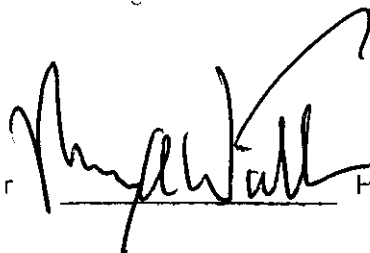
31ST MARCH 2002

	Notes	2002		2001	
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible Assets	2		236,350		154,200
<u>CURRENT ASSETS</u>					
Cash at Bank			9,334		14,996
			<u>9,334</u>		<u>14,996</u>
<u>CREDITORS</u>					
Amounts falling due within one year	5	(19,024)		(29,964)	
<u>NET CURRENT (LIABILITIES)</u>			<u>(9,690)</u>		<u>(14,968)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			<u>226,660</u>		<u>139,232</u>
<u>CAPITAL AND RESERVES</u>					
Called-Up Share Capital	6		24,000		24,000
Revaluation Reserve	9		154,798		72,548
Profit and Loss Account	9		47,862		42,684
<u>SHAREHOLDERS' FUNDS - equity</u>	12		<u>226,660</u>		<u>139,232</u>

The accounts set out on Pages 4 to 10 were approved by the Board on 25.09 2002 and were signed on its behalf by:



L.G. HICKS, Director



H.A. WATTS, Director

NOTES TO THE ACCOUNTSYEAR ENDED 31ST MARCH 20021. ACCOUNTING POLICIESa) Taxation

Corporation Tax is provided on taxable profits at current rates. Any potential liability to Corporation Tax on any capital gains which would arise on the disposal of properties at value stated in the Balance Sheet is covered by capital losses available to the Company.

b) Turnover

Turnover is the amount receivable in the ordinary course of business from gross rents.

c) Basis of Accounting

The accounts have been prepared under the historical cost convention, with the exception of investment properties included at valuation, and in accordance with applicable accounting standards.

d) Investment Properties

Investment properties are revalued annually and the aggregate surplus or deficit is transferred to the revaluation reserve. The surplus or deficit over valuation arising on disposals of investment properties is included in the Profit and Loss Account. The realised valuation surplus corresponding to properties sold is transferred to the Profit and Loss Account. Depreciation is not provided in respect of investment properties. The Directors consider that this accounting policy results in the accounts giving a true and fair view. Investment properties as at 31st March 2002 are shown in the Company's Balance Sheet at the valuation of the Directors on the basis of the open market value of similar properties.

e) Other Tangible Fixed Assets

Other tangible fixed assets are shown at cost less depreciation calculated to write-off the assets on a reducing balance basis over their useful lives as follows:

Furniture and Fittings	-	20% per annum
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f) Deferred Tax

Deferred tax is accounted for using the liability method in accordance with the requirements of Financial Reporting Standard 19.

FOSTERS IMPERIAL STEAM LAUNDRY COMPANY LIMITED

7.

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 31ST MARCH 2002

2.	<u>TANGIBLE FIXED ASSETS</u>	Freehold Investment Property £	Furniture & Fittings £	Total £
	Cost or Valuation -			
	At 1st April 2001	153,750	1,993	155,743
	Additions during year	-	-	-
	Disposal during year	-	-	-
	Surplus on Revaluation	82,250	-	82,250
		<u>236,000</u>	<u>1,993</u>	<u>237,993</u>
		=====	=====	=====
	<u>Depreciation</u>			
	At 1st April 2001	-	1,543	1,543
	In Year	-	100	100
		<u>-</u>	<u>1,643</u>	<u>1,643</u>
		=====	=====	=====
	At 31st March 2002	-	1,643	1,643
		<u>-</u>	<u>1,643</u>	<u>1,643</u>
		=====	=====	=====
	Written down value	236,000	350	236,350
	31st March 2002	<u>236,000</u>	<u>350</u>	<u>236,350</u>
		=====	=====	=====
	31st March 2001	153,750	450	154,200
		<u>153,750</u>	<u>450</u>	<u>154,200</u>
		=====	=====	=====
			<u>2002</u>	<u>2001</u>
			£	£
	Historical Cost of Investment Property		81,202	81,202
			=====	=====
3.	<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>			
			<u>2002</u>	<u>2001</u>
			£	£
	After charging:			
	Interest payable to group undertaking		2,000	2,500
	Audit Fee		200	200
	Directors' Emoluments		2,000	2,000
	Depreciation		100	150
			<u>2,300</u>	<u>2,850</u>
			=====	=====

NOTES TO THE ACCOUNTS (Continued)YEAR ENDED 31ST MARCH 20024. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>2002</u> £	<u>2001</u> £
UK Corporation Tax		
Current tax on income for the year	600	300
Adjustment in respect of prior years	(190)	31
	<u>410</u>	<u>331</u>
	===	===
<u>Factors affecting the tax charge for the year</u>		
Profit on ordinary activities before taxation	5,588	1,101
	=====	=====
Profit on ordinary activities multiplied by small companies rate of UK Corporation Tax of 20% (2001 - 20%)	1,118	220
Effects of:		
Overprovision of previous years	(190)	31
Other tax adjustments	(518)	80
	<u>(708)</u>	<u>111</u>
	=====	=====
Current tax charge	410	331
	===	===

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. The total amount unprovided is £27,300. At present, it is not envisaged that any tax will become payable in the foreseeable future.

No deferred tax is recognised on the capital losses brought forward as there are no current plans in place for the sale of assets against which the losses could be offset. The total amount unprovided is £14,607.

5. CREDITORS

Amounts falling due within one year		
Amounts owed to		
fellow subsidiary undertaking	13,739	22,804
Corporation Tax	600	300
Other Creditors	4,685	6,860
	<u>19,024</u>	<u>29,964</u>
	=====	=====

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 31ST MARCH 2002

6. CALLED-UP SHARE CAPITAL

Authorised, Allotted and Fully Paid

4,800 Ordinary Shares of £5 each	24,000	24,000
	=====	=====

7. HOLDING COMPANY AND CONTROLLING PARTY

The parent undertaking is The Teachers & General Investment Company Limited registered in England and Wales. The ultimate parent undertaking and controlling party is West Streatham Building Company Limited registered in England and Wales.

8. CAPITAL COMMITMENTS

At the end of the year there were no contracted Capital Commitments.

9. RESERVES

	<u>Non-Distributable</u> <u>Investment Revaluation Reserve</u>	<u>Distributable</u> <u>Profit & Loss Account</u>	<u>Total</u> <u>2002</u>	<u>Total</u> <u>2001</u>
	£	£	£	£
Balance at 1st April 2001	72,548	42,684	115,232	114,462
Profit for the Year	-	5,178	5,178	770
Surplus on Revaluation of Property	82,250	-	82,250	-
Balance at 31st March 2002	<u>154,798</u> =====	<u>47,862</u> =====	<u>202,660</u> =====	<u>115,232</u> =====

NOTES TO THE ACCOUNTS (Continued)YEAR ENDED 31ST MARCH 200210. PARTICULARS OF EMPLOYEES

The directors are the only employees of the company. Their total remuneration is set out in Note 11.

11. INFORMATION REGARDING DIRECTORS

	<u>2002</u> £	<u>2001</u> £
Directors emoluments	2,000 =====	2,000 =====

Financial transactions:

Mr. L.G. Hicks is a partner of Messrs. Hyland, Riches & Raw who act as advising Accountants to the Company and received fees of £1,000 + VAT for this service.

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2002</u> £	<u>2001</u> £
Net addition to Shareholders' Funds		
- Unrealised Property Revaluation Surplus	82,250	-
Profit for the Year	5,178	770
Opening Shareholders' Funds	139,232	138,462
	<u>£ 226,660</u> =====	<u>£ 139,232</u> =====

13. RELATED PARTY TRANSACTIONS

The company undertakes various transactions with its fellow subsidiary undertaking, The Teachers & General Investment Company Limited. Relevant details of interest payable to and balance with the fellow subsidiary are disclosed elsewhere in these accounts.