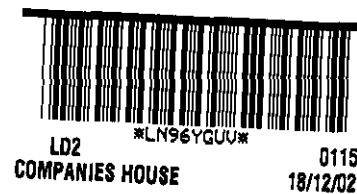

ALDRICH-BLAKE & FANSHAW HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
25 MARCH 2002



VANTIS MBS
Accountants · Business Advisers

ALDRICH-BLAKE & FANSHAW HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS	F P G Aldrich-Blake Miss L R Aldrich-Blake N P Risdon R E R Risdon
SECRETARY	R E R Risdon
COMPANY NUMBER	439759
REGISTERED OFFICE	Highbourne House 13/15 Marylebone High Street London W1U 4NS
AUDITORS	Audit Assure Chartered Accountants & Registered Auditor 82 St John Street London EC1M 4JN
BANKERS	National Westminster Bank Plc P O Box No 4RY 250 Regent Street London W1A 4RY
SOLICITORS	Manches Aldwych House 81 Aldwych London WC2B 4RP
ACCOUNTANTS & BUSINESS ADVISERS:	Vantis MBS 82 St John Street London EC1M 4JN

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DIRECTORS' REPORT
For the year ended 25 March 2002

The directors present their report and the financial statements for the year ended 25 March 2002.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements 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 financial statements, 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 financial statements 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 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.

PRINCIPAL ACTIVITIES

The company's principal activity continues to be that of a property holding company. It is the company's policy to undertake repairs and improvements to properties as and when they become vacant or to ensure that incoming tenants accept a programme for the necessary works. The company continues its policy of investing surplus funds by the acquisition of commercial property when suitable opportunities arise.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of £1 each	
	<u>25/3/02</u>	<u>26/3/01</u>
F P G Aldrich-Blake	4,000	4,000
Miss L R Aldrich-Blake	4,000	4,000
N P Risdon	2,200	2,200
R E R Risdon	500	500

In accordance with the Articles of Association Miss L R Aldrich-Blake retires by rotation, and being eligible offers herself for re-election.

CLOSE COMPANY PROVISIONS

The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

DIRECTORS' REPORT
For the year ended 25 March 2002

AUDITORS

The auditors, Audit Assure (formerly Morgan Brown & Spofforth), will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 4 December 2002 and signed on its behalf.



R E R Risdon
Secretary

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALDRICH-BLAKE & FANSHAWE
HOLDINGS LIMITED

We have audited the financial statements of Aldrich-Blake & Fanshawe Holdings Limited for the year ended 25 March 2002 which comprise the profit and loss account, balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention and the accounting policies set out therein.

Respective Responsibilities of Directors and Auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the statement of directors' responsibilities in the directors' report.

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

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 director's 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 other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the directors' report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 the company's affairs as at 25 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Audit Assure



AuditAssure

Chartered Accountants
Registered Auditor

82 St John Street
London
EC1M 4JN

4 December 2002

ALDRICH-BLAKE & FANSHAWE HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 25 March 2002

	Note	2002 £	2001 £
TURNOVER	1	775,315	669,052
Cost of sales		(267,677)	(196,183)
GROSS PROFIT		507,638	472,869
Administrative expenses		(72,372)	(91,615)
OPERATING PROFIT	2	435,266	381,254
Interest receivable		3,557	24,586
Interest payable		(3,129)	(269)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		435,694	405,571
TAX ON PROFIT ON ORDINARY ACTIVITIES	4	(103,570)	(93,647)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		332,124	311,924
DIVIDENDS	5	(232,000)	(217,500)
RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>£ 100,124</u>	<u>£ 94,424</u>

The notes on pages 6 to 9 form part of these financial statements.

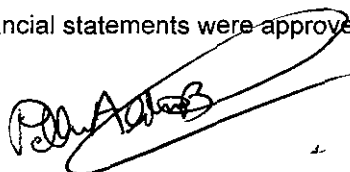
ALDRICH-BLAKE & FANSHAW HOLDINGS LIMITED

BALANCE SHEET
As at 25 March 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible fixed assets	6	7,184,676	7,184,566
CURRENT ASSETS			
Debtors	7	65,393	93,574
Cash at bank		169,443	45,034
		<u>234,836</u>	<u>138,608</u>
CREDITORS: amounts falling due within one year	8	<u>(520,059)</u>	<u>(523,845)</u>
NET CURRENT LIABILITIES		<u>(285,223)</u>	<u>(385,237)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>6,899,453</u></u>	<u><u>6,799,329</u></u>
CAPITAL AND RESERVES			
Called up share capital	9	14,500	14,500
Share premium account		11,495	11,495
Revaluation reserve		4,888,195	4,888,195
Capital redemption reserve		92,321	92,321
Profit and loss account	10	1,892,942	1,792,818
SHAREHOLDERS' FUNDS		<u><u>6,899,453</u></u>	<u><u>6,799,329</u></u>

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

The financial statements were approved by the board on 4 December 2002 and signed on its behalf.



F P G Aldrich-Blake
Director

The notes on pages 6 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 25 March 2002

1. ACCOUNTING POLICIES**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment and long leasehold properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover comprises property rents and service charges receivable, exclusive of Value Added Tax.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furniture, fittings and equipment - 15% reducing balance

1.5 Revaluation of tangible fixed assets

Investment Properties, including Long Leasehold Properties are valued annually and included in the Financial Statements on an open market existing use basis and the aggregate surplus or deficit is transferred to a revaluation reserve in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). No depreciation is provided on freehold and long leasehold investment properties. The Directors consider that this accounting policy results in the accounts giving a true and fair view.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2002 £	2001 £
Depreciation of tangible fixed assets:		
- owned by the company	4,219	4,200
Auditors' remuneration	2,500	7,400
	<u> </u>	<u> </u>

3. DIRECTORS' REMUNERATION

	2002 £	2001 £
Aggregate emoluments	£ 53,791	£ 53,960
	<u> </u>	<u> </u>

4. TAXATION

	2002 £	2001 £
UK corporation tax on profits of the year	£ 103,570	£ 93,647
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 25 March 2002

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK. There were no factors that may affect future tax charges.

5. DIVIDENDS

	2002 £	2001 £
On equity shares		
Total dividends paid	87,000	87,000
Total dividends proposed	145,000	130,500
	<u>£ 232,000</u>	<u>£ 217,500</u>

6. TANGIBLE FIXED ASSETS

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 26 March 2001	7,160,767	54,590	7,215,357
Additions	-	4,329	4,329
At 25 March 2002	<u>7,160,767</u>	<u>58,919</u>	<u>7,219,686</u>
Depreciation			
At 26 March 2001	-	30,791	30,791
Charge for the year	-	4,219	4,219
At 25 March 2002	<u>-</u>	<u>35,010</u>	<u>35,010</u>
Net book value			
At 25 March 2002	<u>£ 7,160,767</u>	<u>£ 23,909</u>	<u>£ 7,184,676</u>
At 25 March 2001	<u>£ 7,160,767</u>	<u>£ 23,799</u>	<u>£ 7,184,566</u>

At 25 March 2002, included within the net book value of land and buildings is £4,099,767 relating to freehold land and buildings, £2,908,500 relating to long term leasehold land and buildings and £152,500 relating to short term leasehold land and buildings.

Both the investment properties and the long leasehold property were valued by the directors on an open market existing use basis on 25 March 2002.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 25 March 2002

7. DEBTORS

	2002	2001
	£	£
Due within one year		
Trade debtors	1	41,032
Other debtors	65,392	52,542
	<u>£ 65,393</u>	<u>£ 93,574</u>

8. CREDITORS:
Amounts falling due within one year

	2002	2001
	£	£
Bank loans and overdrafts	132,806	58,736
Trade creditors	31,505	26,640
Corporation tax	103,570	93,647
Social security and other taxes	39,557	41,055
Other creditors	212,621	303,767
	<u>£ 520,059</u>	<u>£ 523,845</u>

The bank loan of £100,000 is secured on one specific freehold property owned by the company.

9. CALLED UP SHARE CAPITAL

	2002	2001
	£	£
Authorised		
15,000 Ordinary shares of £1.00 each	<u>£ 15,000</u>	<u>£ 15,000</u>
Allotted, called up and fully paid		
14,500 Ordinary shares of £1.00 each	<u>£ 14,500</u>	<u>£ 14,500</u>

10. RESERVES

Profit and loss account	£
At 26 March 2001	1,792,818
Profit retained for the year	100,124
	<u>£ 1,892,942</u>
At 25 March 2002	

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 25 March 2002

11. RELATED PARTY TRANSACTIONS

R E R Risdon is the proprietor of, and N P Risdon is a consultant to, Messrs Drysdale Nurse & Co, Managing Agents and Surveyors, who manage the company's properties, and are remunerated on normal commercial terms and on an arms length basis in respect of rents collected for each property. The amount charged during the year was £45,644 (2001 - £40,599). At the year end there was a balance due to Messrs Drysdale Nurse & Co, including accrued commissions, of £33,702 (2001 - £31,327 owed from Messrs Drysdale Nurse & Co).

12. CONTROLLING PARTY

Ultimate control for both 2001 and 2002 was held by F P G Aldrich-Blake and Miss L R Aldrich-Blake by virtue of their combined majority shareholding.