

Registered no. 0876673

CENTRAL LONDON FINANCING
FACILITIES
LIMITED

FINANCIAL STATEMENTS

YEAR ENDED
31 MARCH 2001



LUBBOCK FINE
Chartered Accountants
Russell Bedford House
City Forum, 250 City Road
London EC1V 2QQ

CENTRAL LONDON FINANCING FACILITIES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Auditors' report to the shareholders	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6
The following pages do not form part of the financial statements	
Detailed profit and loss account	9
Notes to the detailed profit and loss account	10

CENTRAL LONDON FINANCING FACILITIES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Elissa Bennett
Martin Benn

Company secretary

Martin Benn

Registered office

Russell Bedford House
City Forum, 250 City Road
London, EC1V 2QQ

Auditors

Lubbock Fine
Chartered Accountants
& Registered Auditors
Russell Bedford House
City Forum, 250 City Road
London EC1V 2QQ

CENTRAL LONDON FINANCING FACILITIES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2001

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2001.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of property investment.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2001	At 1 April 2000
Elissa Bennett	38	38
Martin Benn	<u>50</u>	<u>50</u>

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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.

AUDITORS

A resolution to re-appoint Lubbock Fine as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.


Martin Benn
Director

Signed on behalf of the directors

Approved by the directors on 03-09-01

CENTRAL LONDON FINANCING FACILITIES LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 MARCH 2001

We have audited the financial statements on pages 4 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 2, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with 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.

QUALIFIED OPINION ARISING FROM DISAGREEMENT ABOUT ACCOUNTING TREATMENT

The company has not included its investment properties in the financial statements at their current market values as required by the Financial Reporting Standard for Smaller Entities. We are unable to quantify the effect on the financial statements had the properties been included at their current market values.

Except for any adjustments that might be required had the properties been included at their current market values, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Lubbock Fine

Lubbock Fine

Chartered Accountants
& Registered Auditors

Date: *8 October* 2001

Russell Bedford House
City Forum, 250 City Road
London EC1V 2QQ

CENTRAL LONDON FINANCING FACILITIES LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 MARCH 2001**

	Note	2001 £	2000 £
RENT RECEIVABLE		82,700	79,080
Property expenses		(189)	850
GROSS PROFIT		82,889	78,230
Administrative expenses		19,461	12,493
Other operating income	2	-	(56,000)
OPERATING PROFIT	3	63,428	121,737
Interest receivable		166	281
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		63,594	122,018
Tax on profit on ordinary activities	4	(14,396)	(34,299)
RETAINED PROFIT FOR THE FINANCIAL YEAR		49,198	87,719
Balance brought forward		367,522	279,803
Balance carried forward		416,720	367,522

The notes on pages 6 to 7 form part of these financial statements.

CENTRAL LONDON FINANCING FACILITIES LIMITED

BALANCE SHEET

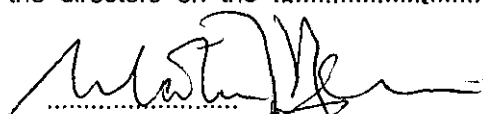
31 MARCH 2001

	Note	2001 £	£	2000 £	£
FIXED ASSETS					
Tangible assets	5		144,925		144,925
CURRENT ASSETS					
Debtors	6	1,867,924		1,695,384	
Cash at bank		12,458		11,264	
		1,880,382		1,706,648	
CREDITORS: Amounts falling due within one year	7	(1,608,487)		(1,483,951)	
NET CURRENT ASSETS			271,895		222,697
TOTAL ASSETS LESS CURRENT LIABILITIES			416,820		367,622
CAPITAL AND RESERVES					
Called-up equity share capital	9		100		100
Profit and Loss Account			416,720		367,522
SHAREHOLDERS' FUNDS			416,820		367,622

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 03.03.01, and are signed on their behalf by:


Elissa Bennett


Martin Benn

The notes on pages 6 to 7 form part of these financial statements.

CENTRAL LONDON FINANCING FACILITIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2001**

1. ACCOUNTING POLICIES**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover and profit before tax are attributable to one activity, that of property investment. Rental income is credited to the profit and loss account on a receivable basis. Turnover was confined to the UK during the year.

Fixed assets

The financial statements have not been revised to incorporate the market value of investment properties in accordance with the requirements of Financial Reporting Standard for Smaller Entities.

No depreciation is provided on investment properties, except for leasehold properties with an unexpired term of 20 years or less, which are amortised over the remaining term of the lease.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

2. OTHER OPERATING INCOME

	2001 £	2000 £
Capital receipts on surrender of a lease	-	56,000

3. OPERATING PROFIT

Operating profit is stated after charging:

	2001 £	2000 £
Directors' emoluments	6,400	6,400
Auditors' fees	1,998	-

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001 £	2000 £
In respect of the year:		
Corporation Tax based on the results for the year at 22.67% (2000 - 28.11%)	14,418	34,299
Adjustment in respect of previous years:		
Corporation Tax	(22)	-
	<u>14,396</u>	<u>34,299</u>

CENTRAL LONDON FINANCING FACILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

5. TANGIBLE FIXED ASSETS

	Investment Properties £
COST	
At 1 April 2000 and 31 March 2001	<u>144,925</u>
NET BOOK VALUE	
At 31 March 2001	<u>144,925</u>
At 31 March 2000	<u>144,925</u>

6. DEBTORS

	2001 £	2000 £
Other debtors	<u>1,867,924</u>	<u>1,695,384</u>

7. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
Corporation tax	14,418	34,299
Other taxation and social security	1,984	2,016
Other creditors	<u>1,592,085</u>	<u>1,447,636</u>
	<u>1,608,487</u>	<u>1,483,951</u>

8. RELATED PARTY TRANSACTIONS

a) Included in other debtors are amounts due from the following companies, in which Martin Benn and Elissa Bennett are directors and shareholders:

- i) Staunch Finance Limited - £1,810,078 (2000 - £1,646,240)
- ii) Kodell Property Investment Company Limited - £47,221 (2000 - £49,144).

b) Included in other creditors are amounts owed to the following companies, in which Martin Benn and Elissa Bennett are directors and shareholders:

- i) Benn and Bennett Limited - £522,208 (2000 - £506,444)
- ii) Greatex Investment Company Limited - £539,455 (2000 - £441,072)
- iii) Milestone Investments Limited - £517,874 (2000 - £487,690).

c) During the year, professional fees of £4,406 (2000 - £nil) were payable to Charles Price and Company, a company in which Bernard Benn, Martin Benn's son is a director. There were no amounts outstanding at the balance sheet date.

All loans are unsecured, interest free and repayable on demand.

9. SHARE CAPITAL

Authorised share capital:

	2001 £	2000 £
1,000 Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2001 £	2000 £
100 Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>