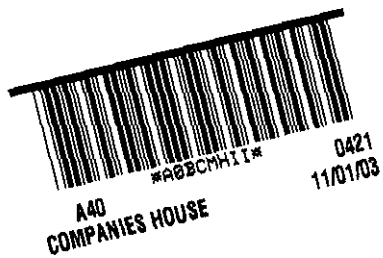


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THE LONDON & NORTHUMBERLAND ESTATES COMPANY LIMITED

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THE LONDON & NORTHUMBERLAND ESTATES COMPANY LIMITED

COMPANY INFORMATION

DIRECTORS:

A. A. Duma
T. R. Pickett

SECRETARY:

A. A. Duma

REGISTERED OFFICE:

6 Royal Exchange,
London EC3V 3LL

REGISTERED NUMBER:

898328

BANKERS:

Barclays Bank plc.,
50 Pall Mall
London SW1A 1QA

THE LONDON & NORTHUMBERLAND ESTATES COMPANY LIMITED

DIRECTORS' REPORT

The directors present their report with the financial statements of the company for the year ended 25th 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 surplus/deficit of the company for that period. In preparing those financial statements, the directors are required to

select suitable accounting policies and apply them consistently;

make judgements and estimates that are reasonable and prudent, and;

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

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 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.

Results

The financial statements show a profit after taxation of £38,594 (2001: loss £2,266) which when added to the balance brought forward leaves a balance to be carried forward of £153,860 (2001: £115,266). The directors do not recommend a payment of a dividend.

Directors and their interests

The directors who served during the year and their interests in the share capital of the company are as follows:

	Ordinary shares of £1 each	
	25. 3.02	25. 3.01
A. A. Duma	99	99
T. R. Pickett	-	-

THE LONDON & NORTHUMBERLAND ESTATES COMPANY LIMITED

DIRECTORS' REPORT

Close company provisions

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

ON BEHALF OF THE BOARD



**A. A. DUMA
SECRETARY**

Dated: 10.1.03

THE LONDON & NORTHUMBERLAND ESTATES COMPANY LIMITED

BALANCE SHEET AS AT 25TH MARCH 2002

	Notes	£	2002 £	£	2001 £
FIXED ASSETS					
Tangible assets	2		300,043		329,009
CURRENT ASSETS					
Debtors	3	51,894		14,112	
CREDITORS: Amounts falling due within one year	4	<u>41,048</u>		<u>55,044</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>10,846</u>		<u>(40,932)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			310,889		287,077
CREDITORS: Amounts falling due after one year	5		<u>156,929</u>		<u>171,711</u>
			£ <u>153,960</u>		£ <u>115,366</u>
CAPITAL AND RESERVES					
Called up share capital	6		100		100
Profit and loss account			<u>153,860</u>		<u>115,266</u>
			£ <u>153,960</u>		£ <u>115,366</u>

The directors confirm that the company is entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 and that no notice has been deposited under Section 249B(2) in relation to its accounts for the financial year.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps accounting records that comply with Section 221 of the Companies Act 1985, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to Accounts, so far as applicable to the company.

APPROVED BY THE BOARD



A. A. DUMA

Dated: 10.1.03

THE LONDON & NORTHUMBERLAND ESTATES COMPANY LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 25TH MARCH 2002

	Notes	£	2002 £	2001 £
RENTS RECEIVABLE		36,826		25,500
Less: Direct letting expenses		<u>2,800</u>		<u>2,800</u>
			34,026	22,700
OTHER OPERATING INCOME			<u>135,582</u>	<u>72,094</u>
OPERATING PROFIT			169,608	<u>94,794</u>
Property related expenses		37,984		37,906
Other operating expenses		67,325		38,627
Interest payable and similar charges		<u>17,317</u>		<u>20,530</u>
			<u>122,626</u>	<u>97,063</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	7		46,982	(2,269)
TAX ON PROFIT ON ORDINARY ACTIVITIES	9		<u>8,388</u>	<u>3</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION			38,594	(2,266)
Balance brought forward			<u>115,266</u>	<u>117,532</u>
BALANCE CARRIED FORWARD			£ <u>153,860</u>	£ <u>115,266</u>

The company has no recognised gains or losses other than those included in the profits above and, therefore, no separate statement of total recognised gains and losses has been presented.

THE LONDON & NORTHUMBERLAND ESTATES COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 25TH MARCH 2002

1. Accounting policies

i) Accounting convention

The financial statements have been prepared under the historical cost convention.

ii) Depreciation

Depreciation is charged on furniture and equipment at 10% p.a. on the reducing balance basis. Depreciation is not charged on the motor vehicle as it is defined as a classic motor car.

iii) Investment property

In accordance with the provisions of SSAP, the directors have elected not to depreciate the investment property.

2. Tangible fixed assets

	Start of Year £	Additions £	Disposals £	End of Year £
At cost or valuation				
Freehold property	205,858	-	-	205,858
Motor Car	24,734	-	24,734	-
Furniture and equipment	<u>133,759</u>	<u>7,233</u>	<u>-</u>	<u>140,992</u>
	<u>364,351</u>	<u>7,233</u>	<u>24,734</u>	<u>346,850</u>
Depreciation				
Furniture and equipment	<u>36,342</u>	<u>10,465</u>	<u>-</u>	<u>46,807</u>
	<u>36,342</u>	<u>10,465</u>	<u>-</u>	<u>46,807</u>
Net Book Value	£ <u>328,009</u>			£ <u>300,043</u>

In the opinion of the directors the open market valuation of the freehold property exceeds its cost.

THE LONDON & NORTHUMBERLAND ESTATES COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 25TH MARCH 2002

3. Debtors

	2002	2001
	£	£
Unquoted Investments	20,692	10,000
Fees receivable	27,244	4,112
Other debtors	<u>3,958</u>	<u>-</u>
	£ <u>51,894</u>	£ <u>14,112</u>

4. Creditors: Amounts falling due within one year

	2002	2001
	£	£
Loan from Oldavon Limited	-	12,500
Bank loans and overdrafts	9,406	19,842
Other creditors including taxation and social security	16,785	6,125
Accruals and deferred income	<u>14,857</u>	<u>16,577</u>
	£ <u>41,048</u>	£ <u>55,044</u>

5. Creditors: Amounts falling due after one year

	2002	2001
	£	£
Director's loan	£ <u>156,929</u>	£ <u>171,711</u>

6. Called up share capital

	2002	2001
	£	£
Authorised 250,000 ordinary shares of £1 each	£ <u>250,000</u>	£ <u>250,000</u>
Issued and fully paid 100 ordinary shares of £1 each	£ <u>100</u>	£ <u>100</u>

THE LONDON & NORTHUMBERLAND ESTATES COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 25TH MARCH 2002

7. Profit

	2002	2001
	£	£
Profit is stated after charging or crediting:		
Administration expenses		
Other costs	£ <u>67,325</u>	£ <u>38,627</u>
Property related expenses		
Depreciation of owned assets	10,465	10,824
Other costs	<u>27,519</u>	<u>27,082</u>
	£ <u>37,984</u>	£ <u>37,906</u>
Other operating charges		
Mortgage and other interest paid	£ <u>17,317</u>	£ <u>20,530</u>
Other operating income		
Fees received	135,582	72,094
Loan interest	<u>-</u>	<u>-</u>
	£ <u>135,582</u>	£ <u>72,094</u>

8. Employees

The average weekly number of employees during the year is made up as follows:

	2002	2001
Management	<u>2</u>	<u>2</u>

The company's only employees are the directors for whom remuneration was neither voted nor paid during the year.

9. Taxation

	2002	2001
	£	£
Under/(Over) provision in previous years	1,681	(3)
Corporation tax based on the profit for the year	<u>6,707</u>	<u>-</u>
	£ <u>8,388</u>	£ <u>(3)</u>

10. Reconciliation of movement in shareholders' funds

	2002	2001
	£	£
Opening shareholders' funds	115,366	117,632
Profit/(Loss) attributable to shareholders	<u>38,594</u>	<u>(2,266)</u>
Closing shareholders' funds	£ <u>153,960</u>	£ <u>115,366</u>