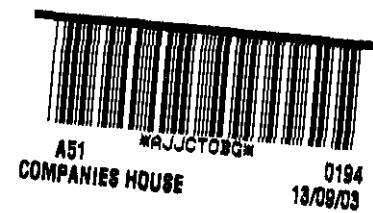


Registration number 991214

Matthews Estates Limited

Directors' report and financial statements

for the year ended 30 November 2002



Matthews Estates Limited

Company information

Directors	Mark Matthews Jean Matthews
Secretary	Mark Matthews
Company number	991214
Registered office	Stephenson Place Stephenson Way Three Bridges Crawley, West Sussex RH10 1TN
Accountants	Leslie Michael Lipowicz & Co Accounts House 16 Dalling Road Hammersmith London W6 0JB
Business address	Stephenson Place Stephenson Way Three Bridges Crawley, West Sussex, RH10 1TN RH10 1TN

Matthews Estates Limited

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Matthews Estates Limited

**Directors' report
for the year ended 30 November 2002**

The directors present their report and the financial statements for the year ended 30 November 2002.

Principal activity

The principal activity of the company remained that of property letting.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary A shares		Ordinary B shares	
	30/11/02	01/12/01	30/11/02	01/12/01
Mark Matthews	15,750	15,750	1,750	1,750
Jean Matthews	17,500	17,500	-	-

This report is 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 13 September 2003 and signed on its behalf by




Mark Matthews
Secretary

Matthews Estates Limited

**Accountants' report on the unaudited financial statements to the directors of
Matthews Estates Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 30 November 2002 set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.



Leslie Michael Lipowitz & Co

**Accounts House
16 Dalling Road
Hammersmith
London
W6 0JB**

Date:

Matthews Estates Limited

Profit and loss account for the year ended 30 November 2002

		2002	2001
	Notes	£	£
Turnover	2	72,000	73,333
Administrative expenses		(3,664)	(2,445)
Operating profit		68,336	70,888
Other interest receivable and similar income		1,729	3,347
Interest payable and similar charges		(336)	(100)
Profit on ordinary activities before taxation		69,729	74,135
Tax on profit on ordinary activities	3	(13,546)	(12,514)
Retained profit for the year		56,183	61,621
Retained profit brought forward		289,272	227,651
Retained profit carried forward		345,455	289,272

The notes on pages 6 to 8 form an integral part of these financial statements.

Matthews Estates Limited

Balance sheet as at 30 November 2002

		2002		2001	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		378,460		378,460
Current assets					
Debtors	5	167,250		115,991	
Cash at bank and in hand		158,686		152,948	
		<u>325,936</u>		<u>268,939</u>	
Creditors: amounts falling due within one year	6	<u>(15,046)</u>		<u>(14,232)</u>	
Net current assets			<u>310,890</u>		<u>254,707</u>
Net assets			<u>689,350</u>		<u>633,167</u>
Capital and reserves					
Called up share capital	7		70,000		70,000
Share premium account	8		4,000		4,000
Revaluation reserve	8		269,895		269,895
Profit and loss account	8		345,455		289,272
Shareholders' funds			<u>689,350</u>		<u>633,167</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 8 form an integral part of these financial statements.

Matthews Estates Limited

Balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 30 November 2002**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 30 November 2002 and

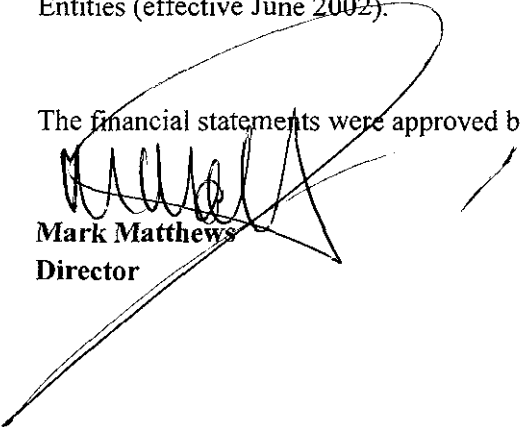
(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are 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 13 September 2003 and signed on its behalf by



Mark Matthews
Director

The notes on pages 6 to 8 form an integral part of these financial statements.

Matthews Estates Limited

Notes to the financial statements for the year ended 30 November 2002

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Tax on profit on ordinary activities

Analysis of charge in period	2002 £	2001 £
UK corporation tax	13,546	12,514
Total current tax charge	13,546	12,514
Tax on profit on ordinary activities	13,546	12,514

Matthews Estates Limited

Notes to the financial statements for the year ended 30 November 2002

..... continued

4. Tangible fixed assets	Land and buildings freehold	Total
	£	£
Cost/revaluation		
At 1 December 2001	380,000	380,000
At 30 November 2002	380,000	380,000
Depreciation		
At 1 December 2001	1,540	1,540
At 30 November 2002	1,540	1,540
Net book values		
At 30 November 2002	378,460	378,460
At 30 November 2001	378,460	378,460
5. Debtors	2002	2001
	£	£
Other debtors	167,250	115,991
6. Creditors: amounts falling due within one year	2002	2001
	£	£
Corporation tax	13,546	12,514
Other creditors	-	118
Accruals and deferred income	1,500	1,600
	15,046	14,232

Matthews Estates Limited

Notes to the financial statements for the year ended 30 November 2002

..... continued

7.	Share capital	2002 £	2001 £
	Authorised		
	49,000.00 Ordinary A shares of 1.00 each	49,000	49,000
	21,000.00 Ordinary B shares of 1.00 each	21,000	21,000
		<u>70,000</u>	<u>70,000</u>
	Allotted, called up and fully paid		
	49,000 Ordinary A shares of 1 each	49,000	49,000
	21,000 Ordinary B shares of 1 each	21,000	21,000
		<u>70,000</u>	<u>70,000</u>

8.	Reserves	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
	At 1 December 2001	4,000	269,895	289,272	563,167
	Retained profit for the year			56,183	56,183
	At 30 November 2002	<u>4,000</u>	<u>269,895</u>	<u>345,455</u>	<u>619,350</u>

9. Related party transactions

An amount of £162,000 (2001 £110,000) is due from Matthews Sussex Limited of which Mark Matthews is also a director and shareholder.