

ASHUNDERLY PROPERTIES LIMITED

REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30TH SEPTEMBER 2000**

**REGISTERED NUMBER
1367324**



ASHUNDERLY PROPERTIES LIMITED

Board of Directors

Robert John Lewis
Philip John Dyke

Secretary and Registered Office

Philip John Dyke
65 Kingsway
London
WC2B 6QT

ASHUNDERLY PROPERTIES LIMITED

Report of the Directors

The Directors present their Report and the Financial Statements of the Company for the year ended 30th September 2000.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The Company provides property services, and is expected to continue with this business in the future. During the year under review the ultimate parent undertaking changed from Electra Investment Trust PLC to Electra Partners Limited.

RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £201,410. The Directors do not recommend the payment of a dividend, leaving the loss of £201,410 to be transferred to reserves.

DIRECTORS

Mr RJ Lewis and Mr PJ Dyke were Directors throughout the year ended 30th September 1999. No other person was a Director during any part of the year under review.

DIRECTORS' INTERESTS

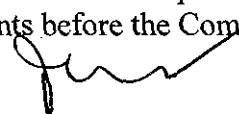
The interests of the Directors and of their families, all of which are beneficial except where noted, in the share capital of the Company's ultimate holding company, Electra Partners Limited are set out below. Other than as here disclosed, no Director had any notifiable interests in the securities of any further subsidiary of Electra Partners Limited or in the securities of the Company.

Director	Number of Ordinary Shares in Electra Partners Limited	
	30.09.00	01.10.99
P J Dyke	16,250	16,250
RJ Lewis	18,770*	18,770*

* 20 shares held non-beneficially.

ELECTIVE RESOLUTIONS

By a written resolution dated 8th December 1992, elective resolutions were approved whereby the Company is no longer required to hold Annual General Meetings, with the result that PricewaterhouseCoopers will continue as Auditors, and the Directors are no longer required to lay Accounts before the Company in general meetings.


By Order of the Board of Directors
P J Dyke, Secretary
65 Kingsway, London WC2B 6QT

15 December 2000

ASHUNDERLY PROPERTIES LIMITED

Directors' Responsibilities for Preparing the Financial Statements

The Directors are required by UK company law to prepare Financial Statements for each financial year 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 and total recognised gains or losses for that period.

The Directors confirm that suitable accounting policies have been adopted and applied consistently, and reasonable and prudent judgments and estimates have been made in the preparation of the Financial Statements for the period ended 30th September 2000. The Directors also confirm that applicable Accounting Standards have been followed and that the Financial Statements have been prepared on the going concern basis.

The Directors are responsible for keeping proper accounting records, for safeguarding the assets of the Company and for taking reasonable steps to prevent and detect fraud and other irregularities.

ASHUNDERLY PROPERTIES LIMITED

Report of the Auditors to the Members of Ashunderly Properties Limited

We have audited the Financial Statements on pages 5 to 9 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors are responsible for preparing the Annual Report. As described on page 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom 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 information specified by law regarding Directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Financial Statements.


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 judgments 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 at 30 September 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London

15 December 2000

ASHUNDERLY PROPERTIES LIMITED

Profit and Loss Account

		Year ended 30th September 2000 £	Year ended 30th September 1999 £
	Note		
Turnover		-	-
Operating expenses	2	201,725	204,225
Loss on Ordinary Activities Before Taxation		(201,725)	(204,225)
Taxation		315	-
Loss on Ordinary Activities After Taxation		(201,410)	(204,225)
Retained Loss brought forward		(668,144)	(463,919)
Retained Loss carried forward		(869,554)	(668,144)

All results and comparatives shown in the profit and loss account above are from continuing operations.

The Company has no recognised gains and losses other than those included in the profit and loss account as shown above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the results shown above and the results on an unmodified historical cost basis, therefore, no separate note of historical cost profit or losses has been presented.

ASHUNDERLY PROPERTIES LIMITED

Balance Sheet

		30th September 2000	30th September 1999
	Note	£	£
Fixed Assets			
Tangible Assets	4	319,396	521,121
Current Assets			
Debtors	5	151,301	151,301
		151,301	151,301
Creditors			
Amounts falling due within one year	6	1,340,151	1,340,466
Net Current Liabilities		(1,188,850)	(1,189,165)
Net Liabilities		(869,454)	(668,044)
Capital and Reserves			
Called up share capital	7	100	100
Profit and loss account		(869,554)	(668,144)
Total Equity Shareholders' Funds	8	(869,454)	(668,044)

The Financial Statements on pages 5 to 9 were approved by the Board of Directors on 15 December 2000 were signed on its behalf by:-



R J Lewis *Director*

ASHUNDERLY PROPERTIES LIMITED

Notes to the Financial Statements

1. ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The more significant accounting policies are listed below:-

- (a) The Financial Statements have been prepared on a going concern basis since the Directors have received a letter of support from the ultimate holding company for the 12 months from the date of preparing these accounts.
- (b) Depreciation on leased property and improvements is provided on a straight line basis on cost over the life of the lease. Fixtures and fittings are depreciated over four years on a straight line basis.
- (c) Rentals payable and receivable in respect of operating leases are accounted for on an accruals basis.
- (d) The Company is a wholly owned subsidiary of an EU company which publishes consolidated accounts that include a consolidated cash flow statement and therefore is not required to produce a cash flow statement.

	Year ended 30th September 2000 £	Year ended 30th September 1999 £

2. OPERATING EXPENSES

Operating expenses are arrived at after charging/(crediting):-

Depreciation	201,725	204,225
	201,725	204,225

The 1999 and 2000 audit fees were borne by another group company

ASHUNDERLY PROPERTIES LIMITED

Notes to the Financial Statements (Continued)

3. DIRECTORS AND EMPLOYEES

No remuneration was paid to the Directors during the year (1999 : £Nil). There are no employees of the Company (1999 : None).

4. TANGIBLE ASSETS

	Fixtures & Fittings £	Short Term Leasehold Improvements £	Total £
Cost			
At 1st October 1999 and at 30th September 2000	116,600	2,910,535	3,027,135
Depreciation			
At 1st October 1999	116,600	2,389,414	2,506,014
Charge for the year	-	201,725	201,725
At 30th September 2000	116,600	2,591,139	2,707,739
Net Book Value			
At 30th September 2000	-	319,396	319,396
At 30th September 1999	-	521,121	521,121

	30th September 2000 £	30th September 1999 £
5. DEBTORS		
Amounts due from Group undertaking and Related Parties		
-Electra Administration Limited	151,301	151,301

	30th September 2000 £	30th September 1999 £
6. CREDITORS		
Amounts due to Group undertakings and Related Parties		
- Electra GP Quoted Limited	1,163	-
- Electra Kingsway Holdings Limited	1,338,605	1,338,605
Corporation tax	-	1,478
Other creditors	383	383
	1,340,151	1,340,466

ASHUNDERLY PROPERTIES LIMITED

Notes to the Financial Statements (Continued)

7. SHARE CAPITAL

Authorised, allotted, called-up and fully paid

100 ordinary shares of £1 each	100	100
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8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Loss for the financial year	(201,410)	(204,225)
Opening equity shareholders' funds	(668,044)	(463,819)
Closing equity shareholders' funds	(869,454)	(668,044)

9. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption available under Financial Reporting Standard 8 (Related Party Disclosures) not to disclose transactions between entities, 90% or more of whose voting rights are controlled within the group.

10. ULTIMATE HOLDING COMPANY

From 1st October 1999 until 15th November 1999 the Directors regarded Electra Investment Trust PLC as the ultimate parent holding company of the Company. On 15th November 1999 Electra Partners Limited purchased the entire share capital of Electra Kingsway Holdings Limited, a subsidiary of Electra Investment Trust. As of this date the Company's ultimate parent undertaking became Electra Partners Limited, a company incorporated in Great Britain and registered in England and Wales. Copies of Electra Partners Limited's Financial Statements are available from the Secretary of the Company at 65 Kingsway, London WC2B 6QT.