

Registration Number 1437374 (England and Wales)

ESTMANCO (PORCHESTER TRIANGLE) LIMITED

Directors' Report and Financial Statements

for the year ended 28 September 2001



**Groman & Company
Chartered Accountants &
Registered Auditors
5, Violet Hill
St. John's Wood
London
NW8 9EB**

ESTMANCO (PORCHESTER TRIANGLE) LIMITED

Company Information

Directors	D.Hennis (resigned) S. Rose B.Streimer R. Lowton
Secretary	P.J. Delaney
Company Number	1437374 (England and Wales)
Registered Office	11 Carteret Street London SW1H 9DL
Auditors	Groman & Company 5, Violet Hill St. John's Wood London NW8 9EB
Bankers	Allied Irish Bank Holloway Road London
Solicitors	Haslam and Payne 11 Carteret Street London SW1H 9DL

ESTMANCO (PORCHESTER TRIANGLE) LIMITED

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ESTMANCO (PORCHESTER TRIANGLE) LIMITED

Directors' Report for the year ended 28 September 2001

The directors present their report and the financial statements for the year ended 28 September 2001.

Principal Activity

The principal activity of the company continues to be that of managing the leases of 84 flats on a non profit making basis.

Post balance sheet events

The company was liable for legal costs of £48,226 arising as a result of an action to acquire the freehold of 207 Gloucester Terrace and negotiations are taking place to agree a purchase price.

Directors and their Interests

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

	Ordinary shares	
	2001	2000
D.Hennis (resigned)	1	1
S. Rose	1	1
B.Streimer	1	1
R. Lowton	1	1

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

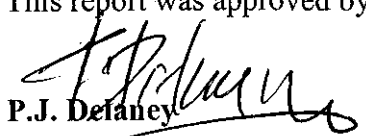
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

In accordance with Section 385, a resolution proposing that Groman & Company be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

This report was approved by the Board on 25 February 2002 and signed on its behalf by


P.J. Delaney
Secretary

ESTMANCO (PORCHESTER TRIANGLE) LIMITED

Independent auditors report to the shareholders of Estmanco (Porchester Triangle) Limited

We have audited the financial statements of Estmanco(Porchester Triangle) Limited for the year ended 28 September 2001 on pages 3 to 7 which comprise the balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

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 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 with the company is not disclosed.

We have read the directors report and will consider the implications for our report if we become aware of any apparent misstatements within it.

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 28 September 2001 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Groman & Company
Chartered Accountants &
Registered Auditors
25 February 2002

5 Violet Hill
St. John's Wood
London
NW8 9EB

ESTMANCO (PORCHESTER TRIANGLE) LIMITED

Income and Expenditure Account for the year ended 28 September 2001

		2001	2000
	Notes	£	£
Income	2	123,202	107,819
Administrative expenses		(78,562)	(69,029)
Operating Surplus	3	44,640	38,790
Provision for future expenditure		(44,640)	(48,002)
(Deficit) on ordinary activities before other income		-	(9,212)
Other Income			
Lease extensions		-	3,500
Net rents received		-	3,492
Interest received		<u>12,915</u>	<u>2,844</u>
		12,915	6,336
Taxation	4	<u>(1,588)</u> 11,327	<u>(624)</u> 5,712
		11,327	-
Surplus on sale of flat	5b	151,002	-
Retained surplus tranferred to reserves		<u>162,329</u>	<u>-</u>

The notes on pages 5 to 7 form an integral part of these financial statements.

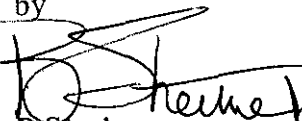
ESTMANCO (PORCHESTER TRIANGLE) LIMITED

Balance Sheet as at 28 September 2001

		2001	2000
	Notes	£	£
Fixed Assets	5a	77,015	80,052
Current Assets			
Amounts due from Lessees		8,055	7,802
Cash at bank		216,601	167,798
		<u>224,656</u>	<u>175,600</u>
Creditors: amounts falling due within one year	6	<u>(21,580)</u>	<u>(3,837)</u>
Net Current Assets		<u>203,076</u>	<u>171,763</u>
Total Assets Less Current Liabilities		280,091	251,815
Provision for liabilities and charges			
Future Expenditure	7	<u>(41,025)</u>	<u>(175,078)</u>
Net Assets		<u>239,066</u>	<u>76,737</u>
Capital and Reserves			
Called up share capital	8	84	84
Lessees		76,653	76,653
Retained Reserves		<u>162,329</u>	<u>-</u>
Shareholders' Funds		<u>239,066</u>	<u>76,737</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities and the Financial Reporting Standard for Smaller Entities

The financial statements were approved by the Board on 25 February 2002 and signed on its behalf by


B. Streimer
Director

The notes on pages 5 to 7 form an integral part of these financial statements.

ESTMANCO (PORCHESTER TRIANGLE) LIMITED

Notes to the Financial Statements for the year ended 28 September 2001

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Income

Income comprises the service charges receivable from lessees, which results in neither a profit nor a loss to the company.

2. Turnover

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

3. Operating surplus

	2001	2000
	£	£
Operating surplus is stated after charging:		
Auditors' remuneration	3,150	2,820

4. Taxation

	2001	2000
UK Corporation Tax on income	1,291	635
Tax provision on sale of property	15,000	-
	16,291	635

Prior years

UK Corporation Tax	297	(11)
	16,588	624

ESTMANCO (PORCHESTER TRIANGLE) LIMITED

Notes to the Financial Statements for the year ended 28 September 2001

..... continued

5 a Fixed assets

	Freehold land		Total
	at Cost £	Leasehold flat £	£
Cost			
At 29 September 2000	77,015	3,037	80,052
Disposal	-	(3,037)	(3,037)
At 28 September 2001	<u>77,015</u>	<u>-</u>	<u>77,015</u>
Net book values			
At 28 September 2001	<u>77,015</u>	<u>-</u>	<u>77,015</u>
At 28 September 2000	<u>77,015</u>	<u>3,037</u>	<u>80,052</u>

5b Surplus on sale of flat at 213b Gloucester Terrace

	£	£
Sale Proceeds	175,000	-
Less: Legal and professional fees	5,961	-
Cost of flat	3,037	-
Taxation	<u>15,000</u>	-
	<u>23,998</u>	-
	<u>151,002</u>	-

6. Creditors: amounts falling due within one year

	2001 £	2000 £
Lessee contributions	1,974	-
Corporation tax	16,291	635
Other creditors and accruals	<u>3,315</u>	<u>3,202</u>
	<u>21,580</u>	<u>3,837</u>

ESTMANCO (PORCHESTER TRIANGLE) LIMITED

**Notes to the Financial Statements
for the year ended 28 September 2001**

..... continued

7. Provisions for liabilities and charges	2001	2000
	£	£
Balance brought forward	175,078	133,336
Major works	(178,693)	(6,260)
Add: Provision	44,640	48,002
Balance carried forward	<u>41,025</u>	<u>175,078</u>
Major works:		
Legal fees	7,543	
Professional and Survey Fees	12,238	
T.V. System	27,910	
Internal Redecoration	131,002	
	<u>(178,693)</u>	
8. Share capital	2001	2000
	£	£
Authorised		
86 Ordinary shares of £1 each	<u>86</u>	<u>86</u>
Allotted, called up and fully paid		
84 Ordinary shares of £1 each	<u>84</u>	<u>84</u>

9. Post Balance Sheet events

The company was liable for legal costs of £48,226 arising as a result of an action to acquire the freehold of 207 Gloucester Terrace and negotiations are taking place to agree a purchase price.