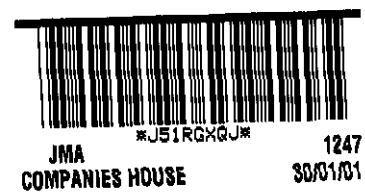


Business Space Services Limited

Accounts 31 March 2000
together with directors' and auditors' reports

Registered number: 2734911



Directors' report

For the year ended 31 March 2000

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 March 2000.

Principal activity and business review

The principal activity of the company is that of a property investment. The directors are currently reviewing the possibilities for future business.

Results and dividends

The company did not carry out any activities during the year.

No dividend can be paid (1999 - £4,266.97 per share).

Directors and their interests

The directors who served during the year were as follows:

G. Jackson
N.M. Ankers
F.J.C. Pole

The directors are also directors of Hampton Trust PLC, the ultimate parent company, and their interests in the share capital of that company are disclosed in its accounts.

The directors do not have any other interests required to be disclosed under Schedule 7 of the Companies Act 1985.

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

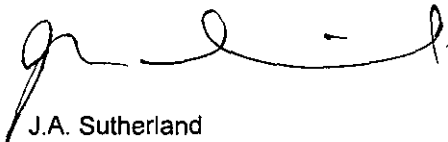
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company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

Directors' report (continued)

Auditors

The directors will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing year.

By order of the Board,

A handwritten signature in black ink, appearing to read 'J.A. Sutherland', written over the printed name.

J.A. Sutherland
Secretary

Hampton House
20 Albert Embankment
London
SE1 7TJ

12 January 2001

To the shareholders of Business Space Services Limited:

We have audited the accounts on pages 4 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

Basis of 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the circumstances of the company, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 March 2000 and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen
Chartered Accountants and Registered Auditors

Bank House
9 Charlotte Street
Manchester
M1 4EU

12 January 2001

Profit and loss account

For the year ended 31 March 2000

	Notes	2000 £	1999 £
Profit on disposal of subsidiary undertaking		-	426,697
Profit on ordinary activities before and after taxation	2	-	426,697
Dividends proposed	3	-	(426,697)
Retained profit for the year		-	-

The accompanying notes are an integral part of this profit and loss account.

All activities arose from discontinued operations.

There are no recognised gains or losses in either year other than the result for that year.

Balance sheet

31 March 2000

	Notes	2000 £	1999 £
Current assets			
Debtors	4	105	426,797
Creditors: Amounts falling due within one year	5	(5)	(426,697)
Net assets		<u>100</u>	<u>100</u>
Capital and reserves			
Called-up share capital	6	<u>100</u>	<u>100</u>

Signed on behalf of the Board



N.M. Ankers
Director

12 January 2001

The accompanying notes are an integral part of this balance sheet.

Notes to accounts

31 March 2000

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

a) Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

b) Taxation

Deferred tax is provided using the liability method on all timing differences only to the extent that they are expected to reverse in the future without being replaced, except that the deferred tax effects of timing differences arising from pensions and other post-retirement benefits are always recognised in full.

2 Tax on profit on ordinary activities

No tax charge arose in the prior year due to tax losses available to be surrendered by other group companies.

3 Dividends proposed

	2000 £	1999 £
Final proposed of £nil per ordinary share (1999 - £4,266.97)	-	426,697

4 Debtors

Amounts falling due within one year:

	2000 £	1999 £
Amounts due from group companies	105	426,797

5 Creditors: Amounts falling due within one year

	2000 £	1999 £
Bank loans and overdrafts	5	-
Proposed dividend	-	426,697
	5	426,697

Notes to accounts (continued)

6 Called-up share capital

	2000 £	1999 £
<i>Authorised, allotted, called-up and fully paid</i>		
100 ordinary shares of £1 each	100	100

7 Reconciliation of movements in shareholder's funds

	2000 £	1999 £
Profit for the financial year	-	426,697
Dividends proposed on equity shares	-	(426,697)
Opening shareholder's funds	100	100
Closing shareholder's funds	100	100

8 Cash flow statement

No cash flow statement has been prepared as the accounts for Hampton Trust PLC, the ultimate parent company, include a consolidated cash flow statement prepared in accordance with Financial Reporting Standard No. 1 (Revised).

9 Ultimate parent company

The company's ultimate parent company is Hampton Trust PLC, a company incorporated in the United Kingdom and registered in England and Wales. The largest and smallest group in which the accounts of the company are consolidated is that headed by Hampton Trust PLC. Accounts of this group can be obtained from Hampton House, 20 Albert Embankment, London, SE1 7TJ.

10 Related party transactions

As permitted by Financial Reporting Standard Number 8, the company has not disclosed transactions with other group undertakings as it is a wholly owned subsidiary undertaking of Hampton Trust PLC, incorporated in England and Wales, which has produced consolidated accounts for the group.