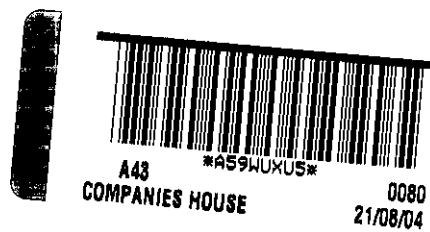


Registration number 03832332

STREET (UK) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004



EDEN CURRIE LIMITED
CHARTERED ACCOUNTANTS
AND REGISTERED AUDITOR

Street (UK) Limited

Company information

Directors	Christopher Michael Mann Katharine Winston Mckee Dr Andrew Gordon Powell John Tackaberry Kenneth Vander Weele	
Secretary	Martin Kenneth Hockly	
Company number	03832332	
Registered office	Studio 12 Style Works 50 - 54 St. Paul's Square Birmingham B3 1QS	
Auditor	Eden Currie Limited Charter House 49-51 Shirley Road Acocks Green Birmingham B27 7XU	
Bankers	National Westminster Bank Plc Handsworth Branch 152 Soho Road Handsworth Birmingham B21 9LW	Bank of Scotland 38 St. Andrew Square Edinburgh EH2 2YR
	The Co-operative Bank Plc PO Box 101 1 Balloon Street Manchester M60 4EP	Barclays Bank Plc Pall Mall Branch Clifton House 83-117 Euston Road London NW1 2BB

Street (UK) Limited

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Street (UK) Limited

Directors' report for the year ended 31 March 2004

The directors present their report and the audited financial statements for the year ended 31 March 2004.

Principal activity

The principal activity of the company during the year was the provision of specialist financial services to micro-entrepreneurs.

Directors and their interests

The directors who served during the year are as stated below:

Christopher Michael Mann
Katharine Winston Mckee
Andrew Gordon Powell
John Tackaberry
Kenneth Vander Weele

None of the directors have any interest in the company or parent company.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

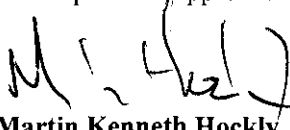
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

Auditor

Eden Currie Limited was appointed auditor to the company and in accordance with Section 385 of the Companies Act 1985, a resolution proposing their reappointment 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.

This report was approved by the Board on 17 July 2004 and signed on its behalf by


Martin Kenneth Hockly
Secretary

Street (UK) Limited

Independent auditor's report to the shareholders of Street (UK) Limited

We have audited the financial statements of Street (UK) Limited for the year ended 31 March 2004 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities 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 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 read the directors' report and 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 31 March 2004 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Edén Currie Limited

**Chartered Accountants and Registered auditor
Birmingham**

17 July 2004

Street (UK) Limited

**Profit and loss account
for the year ended 31 March 2004**

		2004	2003
	Notes	£	£
Administrative expenses		(700,749)	(604,706)
Other operating income		662,053	582,995
Operating loss	2	(38,696)	(21,711)
Other interest receivable and similar income		42,786	25,531
Interest payable and similar charges		(4,090)	(3,820)
		<u> </u>	<u> </u>
		<u> </u>	<u> </u>

The notes on pages 5 to 8 form an integral part of these financial statements.


Street (UK) Limited

Balance sheet as at 31 March 2004

		2004		2003	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		36,829		49,928
Current assets					
Debtors	4	162,837		180,237	
Cash at bank and in hand		73,846		128,091	
		<u>236,683</u>		<u>308,328</u>	
Creditors: amounts falling due within one year	5	<u>(273,510)</u>		<u>(258,084)</u>	
Net current (liabilities)/assets			<u>(36,827)</u>		<u>50,244</u>
Total assets less current liabilities			2		<u>100,172</u>
Creditors: amounts falling due after more than one year	6		-		<u>(40,170)</u>
Net assets			<u>2</u>		<u>60,002</u>
Capital and reserves					
Called up share capital	7		2		2
Other reserves	10		-		<u>60,000</u>
Shareholders' funds			<u>2</u>		<u>60,002</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 in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 17 July 2004 and signed on its behalf by


Christopher Michael Mann
 Director

The notes on pages 5 to 8 form an integral part of these financial statements.

Street (UK) Limited

Notes to the financial statements for the year ended 31 March 2004

1. Accounting policies

1.1. Accounting convention

The audited financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Other operating income

Other operating income comprises arrangement fees charged on loans and grants received to cover expenditure.

The arrangement fee income is included in the financial statements as it becomes receivable.

The grant income is included in the financial statements as soon as there is a legal obligation imposed on the donor to transfer the funds.

1.3. Tangible fixed assets and depreciation

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

Computer equipment	-	20% straight line
Fixtures, fittings and equipment-		10% straight line

1.4. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

1.5. Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2. Operating loss

	2004 £	2003 £
Operating loss is stated after charging:		
Depreciation and other amounts written off tangible assets	16,056	15,278
Loss on disposal of tangible fixed assets	-	1,162
Auditors' remuneration	4,757	4,131

Street (UK) Limited

**Notes to the financial statements
for the year ended 31 March 2004**

..... continued

3. Tangible fixed assets	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost			
At 1 April 2003	7,637	73,203	80,840
Additions	1,603	4,924	6,527
Disposals	(1,378)	(6,109)	(7,487)
At 31 March 2004	<u>7,862</u>	<u>72,018</u>	<u>79,880</u>
Depreciation			
At 1 April 2003	1,507	29,405	30,912
On disposals	(394)	(3,523)	(3,917)
Charge for the year	844	15,212	16,056
At 31 March 2004	<u>1,957</u>	<u>41,094</u>	<u>43,051</u>
Net book values			
At 31 March 2004	<u>5,905</u>	<u>30,924</u>	<u>36,829</u>
At 31 March 2003	<u>6,130</u>	<u>43,798</u>	<u>49,928</u>

4. Debtors	2004 £	2003 £
Loans to micro-entrepreneurs	102,261	80,030
Other debtors	500	100,207
Prepayments and accrued income	60,076	-
	<u>162,837</u>	<u>180,237</u>
 Amounts falling due after more than one year and included in debtors are:	 <u>61,357</u>	 <u>-</u>
	<u>61,357</u>	<u>-</u>

Street (UK) Limited

**Notes to the financial statements
for the year ended 31 March 2004**

..... continued

5. Creditors: amounts falling due within one year	2004 £	2003 £
Bank overdraft	75,000	-
Bank loan	105,000	75,519
Trade creditors	8,566	27,607
Amounts owed to parent company	17,350	138,142
Other taxes and social security costs	12,284	10,073
Other creditors	27,567	-
Accruals	27,743	6,743
	<u>273,510</u>	<u>258,084</u>

6. Creditors: amounts falling due after more than one year	2004 £	2003 £
Bank loan	-	40,170
	<u>-</u>	<u>40,170</u>

7. Share capital	2004 £	2003 £
Authorised		
2 Ordinary shares of 1 each	2	2
	<u>2</u>	<u>2</u>
Allotted, called up and fully paid		
2 Ordinary shares of 1 each	2	2
	<u>2</u>	<u>2</u>

8. Financial commitments

At 31 March 2004 the company had annual commitments under non-cancellable operating leases as follows:

	2004 £	2003 £
Expiry date:		
Between one and five years	1,275	-
	<u>1,275</u>	<u>-</u>

9. Ultimate parent undertaking

Street (UK) Limited is a wholly owned subsidiary of Street (UK) Foundation Limited a company registered in England and Wales.

Street (UK) Limited

**Notes to the financial statements
for the year ended 31 March 2004**

..... continued

10. Other reserves

	2004	2003
	£	£
Balance brought forward	60,000	100,000
Movement in the year	(60,000)	(40,000)
Balance carried forward	<u>-</u>	<u>60,000</u>

Other reserves represents an endowment fund that is only to be used in the Newcastle area.

On 26 March 2004 Street North East Limited was incorporated, its purpose was to provide loans in the North East. From 26 March 2004 Street (UK) Limited no longer provided loans in this region and therefore made the appropriate decision to transfer the endowment fund to Street North East Limited to be used in the region for which it was designated.

Street (UK) Limited

**Detailed trading and profit and loss account
for the year ended 31 March 2004**

	2004		2003	
	£	£	£	£
Administrative expenses	<u>700,749</u>		<u>604,706</u>	
		(700,749)		(604,706)
		<u>(700,749)</u>		<u>(604,706)</u>
Other operating income				
Sundry income	43		200	
Unrestricted grants	431,251		328,910	
Restricted grants	<u>230,759</u>		<u>253,885</u>	
		662,053		582,995
Operating loss		(38,696)		(21,711)
Other income and expenses				
Interest receivable				
Bank deposit interest	<u>42,786</u>		<u>25,531</u>	
		42,786		25,531
Interest payable				
Interest on loans repayable in less than 5 years	<u>4,090</u>		<u>3,820</u>	
		(4,090)		(3,820)
Net results for the year		<u>-</u>		<u>-</u>

Street (UK) Limited

Administrative expenses for the year ended 31 March 2004

	2004	2003
	£	£
Administrative expenses		
Wages and salaries	372,560	362,694
Redundancy costs	8,833	-
Internal training	900	-
Rent payable	39,589	40,946
Insurance	1,978	1,709
Light and heat	3,242	1,060
Cleaning	1,474	1,722
Repairs and maintenance	3,070	7,849
Photocopier maintenance	1,072	261
Stationery	5,511	3,911
Postage	2,577	2,129
Printing	1,951	907
Advertising	43,693	13,750
Leaflet distribution	2,675	2,441
Marketing data	5,635	3,717
Promotional material	17,080	10,625
Recruitment costs	22,511	12,867
Telephone	6,972	6,444
Mobile telephone	3,220	6,028
Computer costs	24,889	6,239
Motor expenses	11,432	5,150
Other travel	559	2,760
Board expenses	561	1,819
Accommodation	4,405	4,981
Airfares	9,319	11,845
Entertaining	1,165	670
Subsistence	1,463	2,630
Legal and professional	3,447	996
Seminars and conferences	3,602	961
Events	1,200	205
Consultancy fees	3,569	5,535
Audit	4,757	4,131
Bank charges	8,231	3,015
Bad debts	57,451	54,236
Office refreshments	405	243
General expenses	1,673	3,149
Subscriptions	2,022	641
Depreciation on fixtures, fittings and equipment	844	741
Profits/losses on disposal of tangible assets	-	1,162
Depreciation of office equipment	15,212	14,537
	<u>700,749</u>	<u>604,706</u>