REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

FOR

INTRACRELS (BEXHILL MANAGEMENT) LIMITED



A15
COMPANIES HOUSE
0452
25/11/03

INTRACRELS (BEXHILL MANAGEMENT) LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7
Profit and Loss Account	9

INTRACRELS (BEXHILL MANAGEMENT) LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2003

DIRECTORS:	G F Blyth G G Hirst D A McGarvey J M Page E J Roberts G B Minister A C Jones DIP SM
SECRETARY:	D A McGarvey
REGISTERED OFFICE:	28 Wilton Road Bexhill-on-sea East Sussex TN40 1EZ
REGISTERED NUMBER:	694021 (England and Wales)
AUDITORS:	ASHDOWN HURREY Chartered Accountants Registered Auditor 28 Wilton Road Bexhill on Sea East Sussex TN40 1EZ

INTRACRELS (BEXHILL MANAGEMENT) LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2003

The directors present their report with the financial statements of the company for the year ended 31 March 2003.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of continuing the management of the property known as Dalmore Court, Marina, Bexhill-on-sea.

DIRECTORS
The directors during the year under review were:

G F Blyth
G G Hirst
D A McGarvey
J M Page
E J Roberts
R H Ireland - resigned 1.8.02
G B Minister
A C Jones DIP SM - appointed 14.12.02

The beneficial interests of the directors holding office on 31 March 2003 in the issued share capital of the company were as follows:

	31.3.03	1.4.02 or date of appointment if later
'A' Ordinary £1 shares		
G F Blyth	3	3
G G Hirst	-	-
D A McGarvey	-	-
J M Page	-	-
E J Roberts	-	-
G B Minister	-	-
A C Jones DIP SM	-	-
'B' Ordinary £1 shares		
G F Blyth	30	30
G G Hirst	30	30
D A McGarvey	30	30
J M Page	30	30
E J Roberts	30	30
G B Minister	30	30
A C Jones DIP SM	30	30

STATEMENT OF 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 affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then 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.

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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

The auditors, ASHDOWN HURREY, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

.....
D A McGarvey - Secretary

Date: 23rd November 2003

INTRACRELS (BEXHILL MANAGEMENT) LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF INTRACRELS (BEXHILL MANAGEMENT) LIMITED

We have audited the financial statements of Intracrels (Bexhill Management) Limited for the year ended 31 March 2003 on pages five to eight. 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 members, 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 members those matters we are required to state to them in an auditors' 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 members 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 on pages two and three the company's directors are responsible for the preparation of 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 Report of the Directors 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 Report of the Directors 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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ashdown Hurrey

ASHDOWN HURREY
Chartered Accountants
Registered Auditor
28 Wilton Road
Bexhill on Sea
East Sussex
TN40 1EZ

Date: 24-11-03

INTRACRELS (BEXHILL MANAGEMENT) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003

	Notes	2003 £	2003 £	2002 £	2002 £
TURNOVER	2		18,561		20,583
Administrative expenses			18,440		20,806
OPERATING PROFIT/(LOSS)	3		121		(223)
Income from investments		73		70	
Interest receivable and similar income		273		395	
			346		465
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			467		242
Tax on profit on ordinary activities	4		14		43
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			453		199
Retained profit brought forward			3,315		3,116
RETAINED PROFIT CARRIED FORWARD			£3,768		£3,315

The notes form part of these financial statements

INTRACRELS (BEXHILL MANAGEMENT) LIMITED

BALANCE SHEET
31 MARCH 2003

	Notes	2003	2002
		£	£
CURRENT ASSETS:			
Debtors	5	2,345	1,228
Cash at bank		23,861	23,591
		26,206	24,819
CREDITORS: Amounts falling due within one year	6	21,655	20,721
NET CURRENT ASSETS:		4,551	4,098
TOTAL ASSETS LESS CURRENT LIABILITIES:		£4,551	£4,098
CAPITAL AND RESERVES:			
Called up share capital	7	783	783
Profit and loss account		3,768	3,315
SHAREHOLDERS' FUNDS:		£4,551	£4,098

These financial statements have been 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 (effective June 2002).

ON BEHALF OF THE BOARD:

J. M. Page
- Director

B Minnis
- Director

Approved by the Board on 23rd November 2003

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

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

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. TURNOVER

Turnover represents maintenance charges due from lessees.

3. OPERATING PROFIT/(LOSS)

The operating profit (2002 - operating loss) is stated after charging:

	2003 £	2002 £
Auditors' remuneration	652	652
Directors' emoluments and other benefits etc	-	-

4. TAXATION

Analysis of the tax charge
The tax charge on the profit on ordinary activities for the year was as follows:

	2003 £	2002 £
Current tax:		
UK corporation tax	14	43
Tax on profit on ordinary activities	14	43

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003 £	2002 £
Other debtors : maintenance in arrears	1,250	250
Prepayments	1,095	978
	2,345	1,228

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003	2002
	£	£
Other creditors : maintenance in advance	20,954	20,015
Accrued expenses	701	706
	21,655	20,721

7. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2003 £	2002 £
220	'A' Ordinary	£1	220	220
780	'B' Ordinary	£1	780	780
			1,000	1,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2003 £	2002 £
3	'A' Ordinary	£1	3	3
780	'B' Ordinary	£1	780	780
			783	783

8. RELATED PARTY DISCLOSURES

The company is controlled by its directors who contribute to, and benefit from, the maintenance of the freehold property on the same basis as the other lessees.

9. RELATIONSHIP BETWEEN THE COMPANY AND THE LEASEHOLDERS OF DALMORE COURT

The company has been advised by its solicitors that the original leases did not provide for maintenance to be collected in advance. In 1995 a Deed of Covenant was prepared for each leaseholder to allow for this arrangement, the amount to be agreed at each Annual General Meeting. All 26 leaseholders have signed the deeds of covenant.

INTRACRELS (BEXHILL MANAGEMENT) LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003

	2003		2002	
	£	£	£	£
Flatholders' contributions		18,561		20,583
Other income:				
Investment income	73		70	
Interest receivable	273		395	
		346		465
		18,907		21,048
Expenditure:				
Lift repairs & maintenance	998		985	
Cleaning	840		1,390	
Sundry expenses	89		75	
Audit & accountancy	652		652	
Management fees	1,500		1,500	
Insurance	2,731		2,529	
Electric lighting	271		327	
Repairs to premises (net of insurance claims)	11,359		13,348	
		18,440		20,806
NET PROFIT		£467		£242