

Tunnel Properties Ltd.

MILL HOUSE
ROYAL CHASE
ROYAL TUNBRIDGE WELLS
KENT TN4 8AY
TELEPHONE 28941

DIRECTORS REPORT CO No.1749521

The directors hereby submit the accounts of the company for the year ended March 2003

The directors of the company during the financial year and their interests in the share of the company were:

D. J. Carey No. of shares 90

S. M. Carey No. of shares 10

During the above financial year the company has not traded & there has been no income or expenditure & therefore no change in the company's position has arisen. Any expenses have been met by the directors.

Balance sheet at 31st March 2003 NIL Signed on behalf of the board

Assets NIL

Liabilities NIL

NIL
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Represented by

AUTHORISED SHARE CAPITAL 100 shares of £1.00

SHARE CAPITAL ISSUED AND FULLY PAID

100 ordinary shares of £1.00 each

Profit/Loss brought forward

NIL
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Signed

DIRECTOR

AUDITORS REPORT TO THE MEMBER OF TUNNEL PROPERTIES LTD

For the year ended 31.3.03 the company was entitled to exemption under section 249aa(1) of the Company's Act 1985

"No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249b(2)"

The director's acknowledge their responsibility for:(i) Ensuring the company keeps accounting records which comply with section 221; and (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the Companies Act relating to accounts, so far as applicable to the company.



Signed.....
[Signature]

Dated.....
30/4/2003