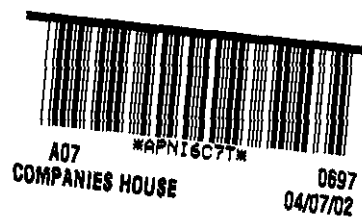


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Registered Number
2070521

STONEWORTH HOUSE MANAGEMENT LIMITED
DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29TH SEPTEMBER 2001



MAURICE ANDREWS
Chartered Accountants
Grove House
25 Upper Mulgrave Road
Cheam
Surrey, SM2 7BE

STONEWORTH HOUSE MANAGEMENT LIMITED

DIRECTORS' REPORT

The directors submit their report with the audited financial statements of the company for the year ended 29th September 2001.

DIRECTORS' RESPONSIBILITIES

Company law requires 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:-

- (a) Select suitable accounting policies and then apply them consistently.
- (b) Make judgements and estimates that are reasonable and prudent.
- (c) State whether the Financial Reporting Standard for Smaller Entities (effective March 2000) has been followed, subject to any material departures disclosed and explained in the financial statements.
- (d) 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 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.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was that of a tenant management company and was unchanged throughout the year.

DIRECTORS AND THEIR INTERESTS

The directors throughout the year and their beneficial interests in the issued ordinary share capital were as follows:-

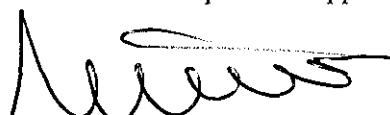
	<u>Number of Shares</u>
N.G. Miller	1
P. Brannon	1
J.T. Williams	1

AUDITORS

Maurice Andrews have indicated their willingness to continue in office as auditors and, in accordance with the Companies Act 1985, a resolution dealing with their re-appointment will be put to the members at the next Annual General Meeting.

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

The directors' report was approved by the Board on 22nd May 2002 and signed on its behalf by:-


N.G. MILLER,
SECRETARY.

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF STONEWORTH HOUSE MANAGEMENT LIMITED**

We have audited the financial statements of Stoneworth House Management Limited for the year ended 29th September 2001 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared 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 the company's directors are responsible for the preparation of the financial statements in accordance with the 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 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

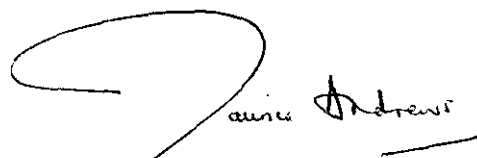
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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 29th September 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Grove House,
25 Upper Mulgrave Road,
Cheam,
Surrey, SM2 7BE.
22nd May 2002


MAURICE ANDREWS
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

STONEWORTH HOUSE MANAGEMENT LIMITED**PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED 29TH SEPTEMBER 2001

	<u>Notes</u>	<u>2001</u> £	<u>2000</u> £
SERVICE CHARGES RECEIVABLE		9,456	8,856
General maintenance costs		<u>5,749</u>	<u>5,717</u>
		3,707	3,139
Administrative expenses		<u>2,682</u>	<u>2,511</u>
OPERATING PROFIT	2	1,025	628
Interest received - bank deposit		<u>123</u>	<u>114</u>
PROFIT FOR THE FINANCIAL YEAR		1,148	742
Accumulated profits brought forward		<u>5,372</u>	<u>4,630</u>
ACCUMULATED PROFITS CARRIED FORWARD		<u>6,520</u>	<u>5,372</u>

STONEWORTH HOUSE MANAGEMENT LIMITED**BALANCE SHEET**
29TH SEPTEMBER 2001

	<u>Notes</u>	<u>2001</u> £	<u>2000</u> £
CURRENT ASSETS			
Debtors	3	1,871	2,508
Cash at bank		<u>6,291</u>	<u>5,668</u>
		8,162	8,176
CREDITORS: amounts falling due within one year	4	<u>1,162</u>	<u>2,324</u>
NET CURRENT ASSETS		<u>7,000</u>	<u>5,852</u>
CAPITAL AND RESERVES			
Called up share capital	5	480	480
Profit and loss account		<u>6,520</u>	<u>5,372</u>
SHAREHOLDERS' FUNDS		<u>7,000</u>	<u>5,852</u>

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

The financial statements were approved by the Board of Directors
on 22nd May 2002 and signed on its behalf by:-

P. Brannon - Director



STONEWORTH HOUSE MANAGEMENT LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 29TH SEPTEMBER 2001

1. ACCOUNTING POLICIES

Accounting basis and standards

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

2. OPERATING PROFIT

The operating profit is stated after charging:

	<u>2001</u>	<u>2000</u>
	£	£
Directors' emoluments	-	-
Auditors' remuneration	355	330
	===	===

3. DEBTORS

	<u>2001</u>	<u>2000</u>
	£	£
Due within one year -		
Sundry debtors and prepayments	1,611	830
Held by agents	260	1,678
	1,871	2,508
	===	===

4. CREDITORS: amounts falling due within one year:

	<u>2001</u>	<u>2000</u>
	£	£
Sundry creditors and accruals	1,162	2,324
	===	===

5. SHARE CAPITAL

			<u>2001</u>	<u>2000</u>
			£	£
Authorised				
Number	Class	Nominal Value		
24	Ordinary	£20	480	480
			===	===
Allotted and fully paid				
Number	Class	Nominal Value		
24	Ordinary	£20	480	480
			===	===