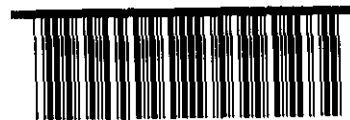


Company Registration No. 2468708 (England and Wales)

SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002

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SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LIMITED

COMPANY INFORMATION

Directors

S Walker
G Mayoh
Bergson Estates Limited (Appointed 8 May 2001)

Secretary

G Mayoh

Company number

2468708

Registered office

Topical House, 15 Frogmore Road
Apsley
Hemel Hempstead
Herts HP3 9RW

Auditors

Sharpe Fairbrother
Chartered Accountants
67/69 George Street
London W1U 8LT

SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LIMITED

CONTENTS

	Page
Directors' report	1
Independent auditors' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 6

SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2002

The directors present their report and financial statements for the year ended 31 March 2002.

Principal activities

The principal activity of the company continued to be that of the management and maintenance of the land and buildings at 42-68b Southwold Road, Watford, Herts to the mutual benefit of all members equally. The company does not trade with a view to make profits.

Directors

The following directors have held office since 1 April 2001:

T Lowe	(Resigned 18 April 2002)
S Walker	
G Mayoh	
Bergson Estates Limited	(Appointed 8 May 2001)

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 March 2002	1 April 2001
T Lowe	-	1
S Walker	1	1
G Mayoh	1	1
Bergson Estates Limited	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Sharpe Fairbrother be reappointed as auditors of the company will be put to the Annual General Meeting.

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.

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.

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

By order of the board


Bergson Estates Limited
Director
24 April 2002

SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LIMITED

AUDITORS' REPORT

TO THE SHAREHOLDERS OF SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LIMITED

We have audited the financial statements of Southwold Road (Block B) Management Company Limited on pages 3 to 6 for the year ended 31 March 2002. 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 on page 1 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.

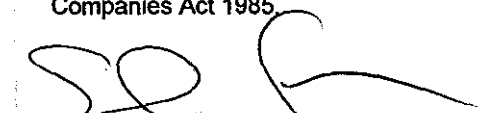
Basis of opinion

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 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Sharpe Fairbrother

24 April 2002

**Chartered Accountants
Registered Auditor**

67/69 George Street
London W1U 8LT

SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2002

	Notes	2002 £	2001 £
Turnover		26,844	23,436
Administrative expenses		(22,210)	(24,295)
Operating profit/(loss)	2	4,634	(859)
Other interest receivable and similar income		152	299
Profit/(loss) on ordinary activities before taxation		4,786	(560)
Tax on profit/(loss) on ordinary activities	3	-	(30)
Retained profit/(loss) for the year	7	4,786	(590)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

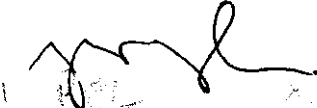
SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LIMITED

BALANCE SHEET AS AT 31 MARCH 2002

	Notes	2002 £	£	2001 £	£
Current assets					
Debtors	4	9,712		11,337	
Cash at bank and in hand		26,922		20,071	
		<u>36,634</u>		<u>31,408</u>	
Creditors: amounts falling due within one year	5	<u>(18,269)</u>		<u>(17,829)</u>	
Total assets less current liabilities			<u>18,365</u>		<u>13,579</u>
Capital and reserves					
Called up share capital	6		42		42
Profit and loss account	7		18,323		13,537
Shareholders' funds - equity interests	8		<u>18,365</u>		<u>13,579</u>

These financial statements have 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 on 24 April 2002



Bergson Estates Limited
Director

SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents service charges receivable from members.

1.3 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Operating profit/(loss)

2002	2001
£	£

Operating profit/(loss) is stated after charging:

Auditors' remuneration

881	823
-----	-----

3 Taxation

2002	2001
£	£

Domestic current year tax

U.K. corporation tax

-	30
---	----

Current tax charge

-	30
---	----

Factors affecting the tax charge for the year

Profit/(loss) on ordinary activities before taxation

4,786	(560)
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Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2001 : 10.00%)

-	(56)
---	------

Effects of:

Non deductible expenses

-	86
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Current tax charge

-	30
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4 Debtors

2002	2001
£	£

Service charges receivable

4,512	6,777
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Prepayments

5,200	4,560
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9,712	11,337
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SOUTHWOLD ROAD (BLOCK B) MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

5	Creditors: amounts falling due within one year	2002	2001
		£	£
	Trade creditors	31	31
	Corporation tax	30	31
	Rental deposits held	12,600	12,600
	Accruals and deferred income	5,608	5,167
		<u>18,269</u>	<u>17,829</u>
6	Share capital	2002	2001
		£	£
	Authorised		
	42 Ordinary shares of £ 1 each	<u>42</u>	<u>42</u>
	Allotted, called up and fully paid		
	42 Ordinary shares of £ 1 each	<u>42</u>	<u>42</u>
7	Statement of movements on profit and loss account		Profit and loss account £
	Balance at 1 April 2001		13,537
	Retained profit for the year		4,786
	Balance at 31 March 2002		<u>18,323</u>
8	Reconciliation of movements in shareholders' funds	2002	2001
		£	£
	Profit/(Loss) for the financial year	4,786	(590)
	Opening shareholders' funds	<u>13,579</u>	<u>14,169</u>
	Closing shareholders' funds	<u>18,365</u>	<u>13,579</u>