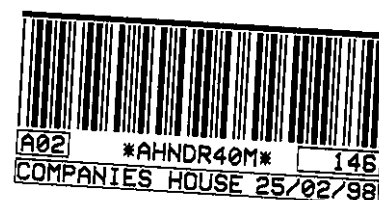


REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997
FOR
BLACK LION MEWS MANAGEMENT LIMITED



BLACK LION MEWS MANAGEMENT LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 1997

The directors present their report with the financial statements of the company for the year ended 31 December 1997.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of ownership and management of the common roadway on behalf of the occupants of adjacent property.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

Management costs are recoverable from the freeholders of residential properties, and the lessees of commercial property and the company operates at neither profit nor loss and therefore has no recognised gains nor losses and no movement in shareholders funds.

DIRECTORS

The directors during the year under review were:

R E THOMAS	
A STREETON	- resigned 10.2.97
N WORTHINGTON	- appointed 3.3.97
J P DURNIN	- appointed 3.3.97

The beneficial interests of the directors holding office on 31 December 1997 in the issued share capital of the company were as follows:

	31.12.97	1.1.97 or date of appointment if later
Shares £1 shares		
R E THOMAS	-	-
N WORTHINGTON	1	1
J P DURNIN	1	1

The issued shares in the company were originally allotted to the developers of the adjacent properties and transferred to the freeholders of residential properties on sale. At 31 December 1997 seven shares were held by freeholders and one by the developers. R E Thomas has interests in the issued capital of the holding company of the developers.

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:



JOHN E MARTIN - SECRETARY

Dated: 21 FEB 1998

BLACK LION MEWS MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1997

		<u>1997</u>	<u>1996</u>
	Notes	£	£
TURNOVER	2	246	307
GROSS PROFIT		246	307
Administrative expenses		246	307
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	-	-
Tax on profit on ordinary activities	4	-	-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		-	-
RETAINED PROFIT CARRIED FORWARD		-	-

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses for the current year or previous year.

BLACK LION MEWS MANAGEMENT LIMITED

BALANCE SHEET
31 DECEMBER 1997

		1997	1996
	Notes	£	£
CURRENT ASSETS:			
Cash at bank		73	319
CREDITORS: Amounts falling due within one year	5	65	311
NET CURRENT ASSETS:		8	8
TOTAL ASSETS LESS CURRENT LIABILITIES:		£8	£8
CAPITAL AND RESERVES:			
Called up share capital	6	8	8
Shareholders' funds	7	£8	£8

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ending 31 December 1997.

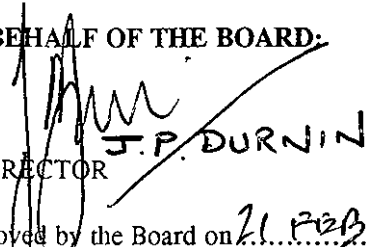
No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial year.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have 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:


- DIRECTOR

Approved by the Board on 21 Feb 1998

BLACK LION MEWS MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover and Activities

The company owns and manages on behalf of the occupants of the adjacent properties the common roadway used by those occupants, recovers its management costs from those occupants and operates at neither profit nor loss.

2. TURNOVER

Turnover represents management contributions to recover costs in respect of the year.

3. OPERATING PROFIT

The operating profit is stated after charging:

	1997 £	1996 £
Directors' emoluments and other benefits etc	- ==	- ==

4. TAXATION

No liability to UK Corporation tax arose on ordinary activities for the year ended 31 December 1997 nor for the year ended 31 December 1996.

**5. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1997 £	1996 £
Contributions in advance	10	256
Accrued expenses	55	55
	==	==
	65	311
	==	==

6. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	1997 £	1996 £
1,000	Shares	£1	1,000	1,000
			==	==

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	1997 £	1996 £
8	Shares	£1	8	8
			==	==

BLACK LION MEWS MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1997

7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1997 £	1996 £
Profit for the financial year	-	-
Opening shareholders' funds	8	8
CLOSING SHAREHOLDERS' FUNDS	8	8
Equity interests	8	8