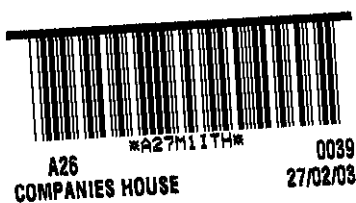


Company Registration No. 3216813 (England and Wales)

CRESSIDA (FOSTER LANE) LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002



CRESSIDA (FOSTER LANE) LIMITED

COMPANY INFORMATION

Director	J D Harris CBE, FRICS
Secretary	A Topper
Company number	3216813
Registered office	10 Charterhouse Square London EC1M 6LQ
Auditors	F W Stephens & Co 10 Charterhouse Square London EC1M 6LQ
Business address	Birkett House 27 Albemarle Street London W1X 4LQ

CRESSIDA (FOSTER LANE) LIMITED

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CRESSIDA (FOSTER LANE) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2002

The director presents his report and financial statements for the year ended 30 June 2002.

Principal activities

The company's principal activity is investment in properties.

On 14th August 2001, the company changed its name to Cressida (Foster Lane) Limited. At the same date, the company acquired 500 of its £1 Ordinary Shares which represented 10% of its called up share capital. It was resolved that it was in the company's best interests to acquire these shares for a total consideration of £61,000.

Director

The following director has held office since 1 July 2001:

J D Harris CBE, FRICS

Director's interests

The director, JD Harris, served throughout the year and has no beneficial interests in the share capital of the company. His interest in the holding company, Cressida Investments Limited, can be seen in that company's accounts.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that F W Stephens & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

Director's responsibilities

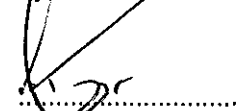
Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to:

- 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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



A Topper

Secretary

12th February 2003

CRESSIDA (FOSTER LANE) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CRESSIDA (FOSTER LANE) LIMITED

We have audited the financial statements of Cressida (Foster Lane) Limited on pages 3 to 9 for the year ended 30 June 2002. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention (as modified by the revaluation of certain fixed assets) 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 auditor's 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 opinion we have formed.

Respective responsibilities of the director and auditors

As described in the statement of director's responsibilities on page 1 the company's director is 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 director's 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 director's remuneration and transactions with the company is not disclosed.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

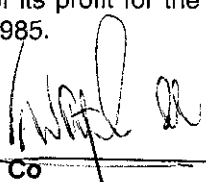
Basis of audit opinion

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 director 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.

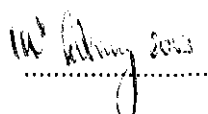
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 30 June 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


F W Stephens & Co

Chartered Accountants
Registered Auditor


14th July 2003

10 Charterhouse Square
London
EC1M 6LQ

CRESSIDA (FOSTER LANE) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2002

	Notes	2002 £	2001 £
Turnover		67,683	576,368
Cost of sales		(17,479)	(23,377)
Gross profit		50,204	552,991
Administrative expenses		(24,360)	(3,760)
Operating profit	2	25,844	549,231
Other interest receivable and similar income		6,772	11,347
Interest payable and similar charges	3	(23,792)	(37,003)
Profit on ordinary activities before taxation		8,824	523,575
Tax on profit on ordinary activities	4	(1,572)	(157,684)
Profit on ordinary activities after taxation	10	7,252	365,891

CRESSIDA (FOSTER LANE) LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 JUNE 2002

	2002	2001
	£	£
Profit for the financial year	7,252	365,891
Unrealised (deficit)/surplus on revaluation of properties	-	25,000
Total recognised gains and losses relating to the year	<u>7,252</u>	<u>390,891</u>

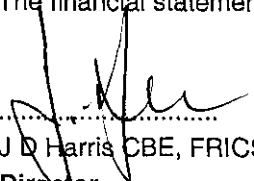
CRESSIDA (FOSTER LANE) LIMITED

BALANCE SHEET AS AT 30 JUNE 2002

	Notes	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	5		700,000		700,000
Current assets					
Debtors	6	312,007		176,382	
Cash at bank and in hand		59,263		374,165	
		<u>371,270</u>		<u>550,547</u>	
Creditors: amounts falling due within one year	7	<u>(30,299)</u>		<u>(342,778)</u>	
Net current assets			340,971		207,769
Total assets less current liabilities			1,040,971		907,769
Creditors: amounts falling due after more than one year	8		<u>(460,047)</u>		<u>(271,382)</u>
			<u>580,924</u>		<u>636,387</u>
Capital and reserves					
Called up share capital	9		4,500		5,000
Revaluation reserve	10		265,653		265,653
Other reserves	10		500		-
Profit and loss account	10		310,271		365,734
Shareholders' funds			<u>580,924</u>		<u>636,387</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 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 12th February 2003


J D Harris CBE, FRICS
Director

CRESSIDA (FOSTER LANE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

This comprises rent receivable from the tenant, credit for which is taken on an accruals basis.

1.3 Tangible fixed assets and depreciation

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the director compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

2 Operating profit	2002	2001
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	1,543	866
	<u> </u>	<u> </u>
3 Interest payable	2002	2001
	£	£
Included in interest payable is the following amount:		
On amounts payable to group companies	-	10,575
	<u> </u>	<u> </u>
4 Taxation	2002	2001
	£	£
Domestic current year tax		
U.K. corporation tax	1,600	157,700
Adjustment for prior years	(28)	(16)
	<u> </u>	<u> </u>
Current tax charge	<u>1,572</u>	<u>157,684</u>

CRESSIDA (FOSTER LANE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 JUNE 2002**

5 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 July 2001 & at 30 June 2002	700,000

The company's investment property is included at the director's estimate of open market value.

The potential taxation liability on the sale of the property at the value included in the balance sheet amounts to £69,144 (2001: £65,753) for the company. No provision has been made for this liability.

6 Debtors	2002	2001
	£	£
Trade debtors	23,691	-
Amounts owed by group undertakings and undertakings in which the company has a participating interest	288,316	176,091
Other debtors	-	291
	<u>312,007</u>	<u>176,382</u>

7 Creditors: amounts falling due within one year	2002	2001
	£	£
Bank loans and overdrafts	10,000	8,933
Trade creditors	2,550	423
Amounts owed to group undertakings and undertakings in which the company has a participating interest	-	169,651
Taxation and social security	1,600	157,700
Other creditors	16,149	6,071
	<u>30,299</u>	<u>342,778</u>

CRESSIDA (FOSTER LANE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

8	Creditors: amounts falling due after more than one year	2002 £	2001 £
	Bank loans	460,047	271,382
	Analysis of loans		
	Wholly repayable within five years	470,047	280,315
	Included in current liabilities	(10,000)	(8,933)
		460,047	271,382

The loan is secured by a fixed charge over the freehold property and a floating charge over the assets and obligations of the company.

9	Share capital	2002 £	2001 £
	Authorised		
	5,000 Ordinary of £ 1 each	5,000	5,000
	Allotted, called up and fully paid		
	4,500 Ordinary of £ 1 each	4,500	5,000

10	Statement of movements on reserves	Revaluation reserve £	Other reserves (see below) £	Profit and loss account £
	Balance at 1 July 2001	265,653	-	365,734
	Retained profit for the year	-	-	7,252
	Purchase of own shares	-	-	(62,715)
	Movement during the year	-	500	-
	Balance at 30 June 2002	265,653	500	310,271
	Other reserves			
	Capital redemption reserve			
	Capital redemption reserve movement		500	
	Balance at 30 June 2002		500	

CRESSIDA (FOSTER LANE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 JUNE 2002**

11 Control

The company regards Cressida Investments Limited, incorporated in England and Wales, as its ultimate holding company. This company is under the ultimate control of J.D. Harris, a director of Cressida Investments Limited, whose interest in the share capital of that company is disclosed in its financial statements.

12 Related party transactions

During the year the company was charged management fees of £22,000 by Cressida Securities Limited, a fellow subsidiary. At 30th June 2002 Cressida (Foster Lane) Limited was owed £288,316 (2001: Cr £161,650) by it's parent company Cressida Investments Limited.