

CHAMPORT SERVICES LIMITED
FINANCIAL STATEMENTS
Year ended 30th June 2002



Registration Number: 3958021
(Registered in England and Wales)

CHAMPORT SERVICES LIMITED
FINANCIAL STATEMENTS
Year ended 30th June 2002

Company Registration Number: 3958021

Registered Office: 4 Tunstall Road
London SW9 8BN

Director: Mrs Tina Kinsella

Secretary: Edward Knight Esq.

Bankers: National Westminster Bank Plc.
Brixton Branch
504 Brixton Road
London SW9 8EB

The Woolwich
1st Floor Drake House
Anchor Boulevard
Crossways Business Park
Dartford DA2 6QH

Solicitors: Amphlett Lissimore
Solicitors
29 Westow Street
Crystal Palace
London SE19 3RW

Auditors: Leroy Reid & Co.
Chartered Certified Accountants & Registered Auditors
299 Northborough Road
Norbury
London SW16 4TR

CHAMPORT SERVICES LIMITED
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Year ended 30th June 2002

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CHAMPORT SERVICES LIMITED
Director's Report for the year ended 30th June 2002

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

Statement of 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:

1. Select suitable accounting policies and then apply them consistently
2. Make judgements and estimates that are reasonable and prudent
3. Prepare the financial statements on the going concern basis unless it is appropriate to presume that the company will continue in business.

The director is responsible for keeping proper 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.

Principal activity and review of business

The company's principal activity is that of the purchase of investment property and letting of residential properties.

The results for the year are set out on page 5. The director considers the profit achieved on ordinary activities before taxation to be particularly satisfactory given the difficult trading conditions

Adequate finance has been obtained to take advantage of business opportunities, and the director considers the state of affairs to be satisfactory.

Future Developments

The company will continue to look for property for purchase and rental.

Fixed assets

The properties were not revalued during the year. The director considers that the balance sheet value is not materially different from the market value.

CHAMPORT SERVICES LIMITED
Director's Report for the year ended 30th June 2002

Directors and their interests

The director who served during the period and her interest in the company is as stated below.

	<u>2002</u>	<u>2001</u>
	Ordinary Shares	
Mrs Tina Kinsella	1	1

Mrs Tina Kinsella held no beneficial interest in the debentures of the company. The director is also a director of the South Chelsea College Limited and her interest in the share capital of that company is disclosed in the financial statements.

Creditors Payment Policy

It is the company's policy to maintain good relationships with its suppliers. Payment terms are agreed with each supplier in advance and these terms are adhered to.

Auditors

The auditors, Leroy Reid & Co. will be proposed for reappointment in accordance with s.385 of the Companies Act 1985.

Small companies rules

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

This report was approved by the board on 3rd December 2002 and signed on its behalf.



Edward Knight Esq.
 Company Secretary

CHAMPORT SERVICES LIMITED**Independent auditors' report to the shareholders of Champort Services Limited**

We have audited the financial statements of Champort Services Limited for the year ended 30 June 2002 on pages 5 to 10. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 7.

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 statement 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 Accounting Standards.

We report to you our opinion as to whether the financial statements give a true 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 had 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 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.

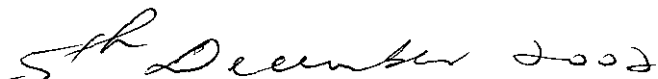
CHAMPORT SERVICES LIMITED
Independent auditors' report to the shareholders of Champort Services Limited

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 30th June 2002 and its loss for the period then ended and have properly prepared in accordance with the Companies Act 1985.



LERoy REID & CO
CHARTERED CERTIFIED ACCOUNTANTS & REGISTERED AUDITORS
299 Northborough Road
Norbury
London SW16 4TR



CHAMPORT SERVICES LIMITED
Profit and loss account
for the year ended 30th June 2002

	Notes	<u>2002</u>	<u>2001</u>
Turnover	1	25,630	19,880
Administrative expenses		<u>(13,099)</u>	<u>(17,559)</u>
Operating profit		12,531	2,321
Interest payable and similar charges	2	<u>(10,387)</u>	<u>(10,295)</u>
Profit / (Loss) before taxation		2,144	(7,974)
Tax on profits on ordinary activities	3	<u>(168)</u>	=
Profit / (Loss) on ordinary activities after taxation		1,976	(7,974)
Retained loss brought forward		<u>(11,827)</u>	<u>(3,853)</u>
Retained loss carried forward		<u>(£9,851)</u>	<u>(£11,827)</u>

There were no recognised gains and losses for 2002 other than those included in the profit and loss account.

None of the company's activities were acquired or discontinued during the period.

The accompanying notes form an integral part of these accounts.

CHAMPORT SERVICES LIMITED
Balance Sheet as at 30th June 2002

Fixed Assets	Notes	<u>2002</u>	<u>2001</u>
Tangible assets	4	<u>327,211</u>	<u>327,382</u>
Current Assets			
Debtors	5	644	1,098
Cash at bank and in hand		<u>2,564</u>	<u>1,296</u>
		3,208	2,394
Creditors: amounts falling due within one year	6	<u>(12,459)</u>	<u>(10,681)</u>
Net current Liabilities		<u>(9,251)</u>	<u>(8,287)</u>
Total assets less current liabilities		317,960	319,095
Creditors: amounts falling due after more than one year	7	<u>(327,710)</u>	<u>(330,821)</u>
		<u>(£9,750)</u>	<u>(£11,726)</u>
Capital and Reserves			
Called Up Share Capital	8	101	101
Profit and loss Account		<u>(9,851)</u>	<u>(11,827)</u>
Shareholders' funds	9	<u>(£9,750)</u>	<u>(£11,726)</u>

The financial statements which have been prepared in accordance with the special provisions of Part VII of the companies act 1985 applicable to small companies were approved by the board on 3rd December 2002 and signed on its behalf.



Mrs Tina Kinsella
Director

CHAMPORT SERVICES LIMITED
Notes to the financial statements for the year ended 30th June 2002

Accounting policies

Basis of preparation of financial statements

The accounts are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

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

Turnover

Turnover represents amounts receivable for goods and services provided in the UK net of VAT and trade discounts.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	25% Straight line basis
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Investment property

Investment property is stated at its open market value. An independent professional valuation is normally carried out at least every five years, or earlier if appropriate, and in intervening years these valuations are updated by the directors with the assistance of independent professional advice as required. The company's property was only acquired at the end of the financial year and is therefore shown at that value in the balance sheet. The officer is of the opinion that there is no material difference between the current market value and the amount shown in the financial statements.

Compliance with SSAP 19 is a departure from the Companies Act 1985 necessary to give a true and fair view.

In accordance with FRS 11 at the end of each year all Leasehold property with a expected useful life of over 50 years will be reviewed for impairment.

CHAMPORT SERVICES LIMITED
Notes to the financial statements for the year ended 30th June 2002

1. Turnover and profit / (loss) on ordinary activities before taxation

Turnover and profit / (loss) on ordinary activities before taxation are attributable to the principal activity of the company. The profit / (loss) is stated after charging:

	<u>2002</u>	<u>2001</u>
Auditors Remuneration	2,974	2,818
Depreciation	679	552

2. Interest payable and similar charges

	<u>2002</u>	<u>2001</u>
Interest payable on Debenture	<u>£10,387</u>	<u>£10,295</u>

3. Taxation

	<u>2002</u>	<u>2001</u>
UK Corporation Tax	<u>£168</u>	<u>=</u>

All corporation tax losses have been transferred to the ultimate holding company South Chelsea College Limited.

4. Fixed assets

	<u>Long Leasehold Land and Buildings</u>	<u>Furniture & Fittings</u>	<u>Total</u>
Cost			
Opening Balance	325,735	2,206	327,941
Additions	=	<u>508</u>	<u>508</u>
At 30th June 2002	<u>325,735</u>	<u>2,714</u>	<u>328,449</u>
Accumulated Depreciation			
Opening Balance	-	559	559
Charge for the period	=	<u>679</u>	<u>679</u>
At 30th June 2002	=	<u>1238</u>	<u>1238</u>
Net Book Value			
as at 30th June 2002	<u>£325,735</u>	<u>£1,476</u>	<u>£327,211</u>
as at 30th June 2001	<u>£325,735</u>	<u>£1,647</u>	<u>£327,382</u>

CHAMPORT SERVICES LIMITED
Notes to the financial statements for the year ended 30th June 2002

5. Debtor

	<u>2002</u>	<u>2001</u>
Trade debtors	433	887
Other debtors	<u>211</u>	<u>211</u>
	<u>£644</u>	<u>£1,098</u>

6. Creditors: Amounts falling due within one year

	<u>2002</u>	<u>2001</u>
Debenture loan (May 2015)	4,250	3,337
Debenture loan (May 2020)	1,961	2,182
Debenture loan (May 2025)	1,030	1,348
Other creditors including taxation and social security	982	956
Corporation tax	168	-
Accruals and deferred income	<u>4,068</u>	<u>2,858</u>
	<u>£12,459</u>	<u>£10,681</u>

The debenture loan (May 2015) is secured by a fixed and floating charge over 341 Devon Mansions, SE1 and is repayable over 15 years

The debenture loan (May 2020) is secured by a fixed and floating charge over 55 Winns Terrace, E17 and is repayable over 20 years

The debenture loan (May 2025) is secured by a fixed and floating charge over 17 Forest Lodge, SE23 and is repayable over 25 years

7. Creditors: Amounts falling due after more than one year

	<u>2002</u>	<u>2001</u>
Debenture loan (May 2015)	69,775	74,938
Debenture loan (May 2020)	54,742	56,483
Debenture loan (May 2025)	47,280	47,993
Amounts owed to group undertakings	<u>155,913</u>	<u>151,407</u>
	<u>£327,710</u>	<u>£330,821</u>

The debenture 2015 was issued during the period at par and carry interest at a rate of 6.00% per annum. The debenture is repayable on a repayment basis and is secured by a fixed and floating charge over 341 Devon Mansions, Tooley Street, SE1.

CHAMPORT SERVICES LIMITED
Notes to the financial statements for the year ended 30th June 2002

7. Creditors: Amounts falling due after more than one year (Continued)

The debenture 2020 was issued during the previous period at par and carry an average interest at a rate of 5.94% per annum. The debenture is repayable on a repayment basis and is secured by a fixed and floating charge over 55 Winns Terrace, Walthamstow, E17 SEJ.

The debenture 2025 was issued during the period at par and carry an average interest at a rate of 5.94% per annum. The debenture is repayable on a repayment basis and is secured by a fixed and floating charge over 17 Forest Lodge, Forest Hill, SE23 3HY.

8. Share Capital

	<u>2002</u>	<u>2001</u>
Authorised Share Capital (1,000 shares of £1 each)	<u>£1,000</u>	<u>£1,000</u>
Allotted Issued and fully paid Share Capital	<u>£101</u>	<u>£101</u>

9. Reconciliation of Shareholders funds

	<u>2002</u>	<u>2001</u>
Profit / (Loss) for the year	<u>1,976</u>	<u>(7,974)</u>
Net Addition to shareholders	1,976	(7,974)
Opening shareholders funds	<u>(11,726)</u>	<u>(3,752)</u>
Closing Balance	<u>(£9,750)</u>	<u>(£11,726)</u>

10. Control

South Chelsea College Limited is the company's immediate and ultimate parent undertaking and Mrs Tina Kinsella who controls 99% of the shares of South Chelsea College Limited is the company's ultimate controlling party.

CHAMPORT SERVICES LIMITED
Detailed Profit and Loss Account
for the year ended 30th June 2002

	<u>2002</u>	<u>2001</u>
	<u>25,630</u>	<u>19,880</u>
Rent Received	3,003	4,551
Administrative expenses	129	-
Repairs and Maintenance	571	727
Cleaning and sanitation	-	1,880
Travelling and subsistence	2,974	2,818
Legal and professional fees	672	197
Auditors Remuneration	116	1,563
Licenses and insurances	679	552
Bank charges	30	135
Depreciation	357	207
Ground rent	-	324
Life assurance on Loan	15	15
Registration fees	44	20
Dues and subscription	4,376	3,933
Light and heat	33	182
Management fees	-	115
Council tax	10	-
Compensation	90	40
Stamp duty	=	<u>300</u>
Penalties and fines	<u>13,099</u>	<u>17,559</u>
Bad debt	12,531	2,321
Operating Profit	<u>(10,387)</u>	<u>(10,295)</u>
Interest Payable and similar charges	<u>£2,144</u>	<u>(£7,974)</u>
Profit / (Loss) on ordinary activities before taxation		