

TRICOMM HOUSING (HOLDINGS) LIMITED

(FORMERLY CONTINENTAL SHELF 204 LIMITED)

STATUTORY ACCOUNTS
FOR THE PERIOD
FROM THE 30TH AUGUST 2001 TO 31ST OCTOBER 2002



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TRICOMM HOUSING (HOLDINGS) LIMITED)
REPORT OF THE DIRECTORS

1. The directors submit their report and the audited financial statements for the period from the 30th August 2001 to the 31st October 2002.

These are the first set of financial accounts prepared for the Company, since it was only incorporated on 30th August 2001.

2. **REVIEW OF ACTIVITIES**

On 30 November 2001, the Company invested £199,998 in Tricomm Housing Limited. The Company made no other transaction during the period, therefore no profit and loss account has been presented.

The directors are confident that the Company will continue to develop successfully for the foreseeable future.

3. **DIVIDEND**

The directors do not propose the payment of a dividend.

4. **DIRECTORS**

The directors of the Company who held office during the period and to date were:

J A Hope	(appointed 13/11/01)
W J Mackintosh	(appointed 13/11/01)
R G Jack	(appointed 13/11/01)
B R G Smith	(appointed 13/11/01 and resigned 30/06/02)
R S Fullerton	(appointed 13/11/01)
D Lindsay	(appointed 28/06/02)
N Middleton	(appointed 20/01/03)
C Elliott	(appointed 13/11/01 and resigned 16/06/03)

In accordance with the Company's Articles of Association, none of its directors are required to retire. None of the directors who held office at the beginning or end of the period had any interests in the shares of the Company.

5. **DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare the financial statements for each financial year that give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for that period. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 31 October 2002 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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

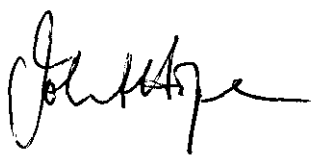
TRICOMM HOUSING (HOLDINGS) LIMITED
REPORT OF THE DIRECTORS

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.

6. **AUDITORS**

A resolution to re-appoint the auditors, PricewaterhouseCoopers LLP, will be proposed at the Annual General Meeting.

By Order of the Board



John Hope
Director
18 June 2003

Registered in England - No. - 04278621

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRICOMM HOUSING (HOLDINGS) LIMITED

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

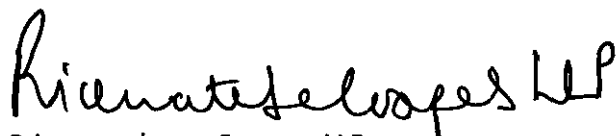
Basis of audit opinion

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 October 2002 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Edinburgh

20 June 2003

TRICOMM HOUSING (HOLDINGS) LIMITED
BALANCE SHEET AS AT 31 OCTOBER 2002

	<u>Notes</u>	<u>31.10.02</u>
		£
Investments	3	199,998
Net assets		<u>199,998</u>
<u>Capital & reserves</u>		
Called-up share capital	4	199,998
Equity shareholders' funds		<u>199,998</u>

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 John Hope
 Director

The directors approved the financial statements on 18 June 2003.
 The notes on pages 5 to 7 form part of these financial statements.

TRICOMM HOUSING (HOLDINGS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS – 31 OCTOBER 2002

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. In December 2000 the Accounting Standards Board issued FRS 19 (Deferred Tax). The directors have adopted FRS 19 in the preparation of these financial statements however, this has not resulted in any restatement of the prior year results. Summary of the more important group accounting policies, which have been consistently applied, are set out below.

(a) ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable Accounting Standards in the United Kingdom. FRS 18 "Accounting Policies" has been adopted in these financial statements but this has not required any changes to accounting policies.

(b) INVESTMENTS

Investments held as fixed assets are stated at cost less provision for any diminution in value. Consolidated financial statements have not been prepared since this Group is a small group by definition.

2. CASHFLOW

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cashflow statement, as it is a small company by definition.

3. OPERATING RESULT

None of the directors received any remuneration as directors from the company during the period. The company has no directly employed personnel.

Auditors' remuneration as all administrative expenses are paid by Tricomm Housing Limited, its subsidiary.

4. INVESTMENTS

<u>Cost</u>	£
Additions	199,998
As at 31.10.02	<u>199,998</u>
 <u>Provisions</u>	
As at 31.10.02	<u>-</u>
 <u>Net Book Value</u>	
As at 31.10.02	<u>199,998</u>

TRICOMM HOUSING (HOLDINGS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS – 31 OCTOBER 2002

On 30 November 2001, the Company invested £199,998 in Tricomm Housing Limited, a company which provides accommodation under PFI arrangement for serving officers and families of the Ministry of Defence facilities at Portsmouth, Shrivenham, Abbeywood and Ensliegh. This investment comprises of 199,998 Ordinary Shares of £1 each (cost).

The following unlisted investments are held, all of which are incorporated in the UK and invest or operate PFI concessions:

Name	Shareholding	Year end	Capital & Reserves £	Profits for the year £
Tricomm Housings Limited	100%	31 Oct. 02	275,144	75,146

5. CALLED UP SHARE CAPITAL

	<u>31.10.02</u>		<u>30.08.01</u>	
	£ <u>Authorised</u>	£ <u>Issued</u>	£ <u>Authorised</u>	£ <u>Issued</u>
Unclassified shares of £1 each	-	-	10,000	-
"A" type ordinary shares of £1 each	166,665	66,666	-	-
"B" type ordinary shares of £1 each	166,665	66,666	-	-
"C" type ordinary shares of £1 each	166,665	66,666	-	-
	<u>499,995</u>	<u>199,998</u>	<u>10,000</u>	<u>-</u>

On the 30 November 2001, the authorised capital was increased and reclassified from 1,000 unclassified shares of £1 to 66,666 'A' type ordinary shares of £1, 66,666 'B' type ordinary shares of £1 shares and 66,666 'C' type ordinary shares of £1. The 'A', 'B' and 'C' shares have equal ranking and voting rights and are held by AWG Defence Housing (Bristol) Ltd, Royal Bank Project Investments Ltd and Barclays European Infrastructure Ltd respectively.

6. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>31.10.02</u> £
Opening shareholders' funds	-
Issue of shares	199,998
Closing shareholders' funds	<u>199,998</u>

TRICOMM HOUSING (HOLDINGS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS – 31 OCTOBER 2002

7. ULTIMATE PARENT UNDERTAKING

In the opinion of the directors, there is no ultimate parent undertaking and controlling party.

The immediate parent companies are AWG Defence Bristol Limited a company registered in England, Royal Bank Project Investments Limited a company registered in Scotland, and Barclays European Infrastructure Limited a company registered in England.