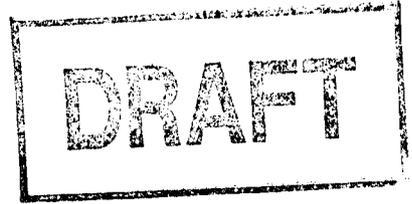


Registered Number: 02105771

In England and Wales



STRATONE COURT MANAGEMENT LIMITED

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1996

STRATONE COURT MANAGEMENT LIMITEDREPORT OF THE DIRECTORS

The Directors present their annual report with the accounts of the Company for the year ended 31st March 1996.

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review was that of a non profit making management company.

DIRECTORS

The Directors in office in the year were as follows:

	<u>1.4.95</u>	<u>31.3.96</u>
N.A. Fisher Esq.	1	1
Ms. T. Burson	1	1
T. Pickett Esq.	1	1
Ms. J.C. Wood	1	1
Ms. E. Messenger	1	1

The Directors have no interest in the shares of any other group company, including rights to subscribe for shares.

DIRECTORS RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts comply with the Companies Act. 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.

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STRATONE COURT MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

(CONTINUED)

AUDITORS

The Auditors, Cook and Partners, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

In preparing the above report, the Directors have taken advantage of special exemptions applicable to small companies.

Signed on Behalf of
The Board of Directors

.....
Director or Secretary

Approved by the Board on.....

DRAFT

No. 3

AUDITORS REPORT UNDER THE LANDLORD AND TENANT ACT 1985

(AS AMENDED BY LANDLORD AND TENANT ACT 1987)

TO THE MEMBERS OF STRATONE COURT MANAGEMENT LIMITED

We have audited the Income and Expenditure Account on Appendix A and reviewed the financial statements on pages 4 and 5 from the vouchers and explanations supplied to us and confirm that, in our opinion, the Income and Expenditure Account correctly shows the expenditure incurred on the Stratone Court Management Limited for the year ended 31st March 1996, and complies with the Landlord and Tenant Act 1985 (as amended by the Landlord and Tenant Act 1987).

Manufactory House,
Bell Lane,
Hertford,
Hertfordshire.

Cook and Partners
Chartered Accountants
and Registered Auditors

.....Date

DRAFT

No. 4

STRATONE COURT MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1996

	1996	1995
	£	£
TURNOVER (Note 1)	3,960	3,960
Administrative Expenses	3,945	4,124
OPERATING PROFIT / (LOSS)	15	(164)
Interest Payable and Bank Charges	144	77
Interest Receivable	(207)	(185)
PROFIT / (LOSS) ON ORDINARY		
ACTIVITIES before Taxation (Note 6)	78	(56)
TAXATION		
Corporation Tax at 25% (25%)	52	45
	26	(101)
RETAINED PROFIT / (LOSS) brought forward	4,979	5,080
RETAINED PROFIT / (LOSS) carried forward	£5,005	£4,979

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than the profit or loss for the above two financial years.

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the current or previous financial period.

The notes on pages 6 and 7 form a part of these financial statements.

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STRATONE COURT MANAGEMENT LIMITED

No. 5

BALANCE SHEET AT 31ST MARCH 1996

	1996		1995	
	£	£	£	£
CURRENT ASSETS				
Debtors (Note 2)		6,392		6,270
Prepaid Expenses (Note 3)		743		724
		7,135		6,994
Deduct: CREDITORS amounts falling due within one year				
Creditors (Note 4)	1,086		1,078	
Accrued Expenses (Note 5)	684	1,770	577	1,655
		£5,365		£5,339
TOTAL NET ASSETS / (LIABILITIES)		£5,365		£5,339
Represented by:-				
SHARE CAPITAL				
Authorized	No	£	No	£
Ordinary Shares of £10 each	36	£360	36	£360
	==	===	==	===
Issued and Fully Paid				
Ordinary Shares of £10 each	36	360	36	360
	==		==	
PROFIT AND LOSS ACCOUNT		5,005		4,979
		£5,365		£5,339
		£5,365		£5,339

For the year in question, the Company was entitled to exemptions from audit under section 249A (1) of the Companies Act 1985. No notice has been deposited under section 249B (2) of the Act in relation to the accounts for the financial year. The Directors have acknowledged their responsibility for

- a) ensuring the Company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- b) preparing accounts which give a true and fair view of the state of affairs of the Company, as at the end of the financial year in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the Company.

The Directors have taken advantage of special exemptions conferred by Schedule 8 of the Companies Act 1985 applicable to small companies on the grounds that, in their opinion, the Company is entitled to those exemptions.

The notes on pages 6 and 7 form a part of these financial statements.

Signed on behalf of the
Board of Directors

Director
Approved by the Board

1996

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STRATONE COURT MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1996

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with United Kingdom Accounting Standards.

Turnover

Turnover represents Maintenance Charges Receivable in respect of communal expenditure in the ordinary course of business. Value Added Tax is not charged thereon.

Cashflow Statement

The Company is exempt from the requirement to prepare a cashflow statement as it is entitled to the exemptions for small companies financial statements set out in sections 246 to 249 Companies Act 1985.

2. DEBTORS: Made up as follows:-

----- (Amounts owed to the Company)

	1996	1995
	----	----
	£	£
Maintenance Charges in Arrears	887	360
Agents Current Account	5,505	5,910
	-----	-----
	£6,392	£6,270
	=====	=====

3. PREPAID EXPENSES: Made up as follows:-

----- (Amounts that have been paid for but are in respect of the next Accounting Period)

	1996	1995
	----	----
	£	£
Insurance	743	724
	-----	-----
	£743	£724
	=====	=====

4. CREDITORS: Made up as follows:-

----- (Amounts owed by the Company)

	1996	1995
	----	----
	£	£
Maintenance Charges in Advance	1,021	1,019
Corporation Tax	65	59
	-----	-----
	£1,086	£1,078
	=====	=====

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STRATONE COURT MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1996

5. ACCRUED EXPENSES: Made up as follows:-

(Amounts owed by the Company for expenses incurred during the Current Accounting Period but not yet paid for)		
	1996	1995
	£	£
Electricity	48	-
General Maintenance	208	208
Accountancy Charges	410	369
Sundry Expenses	18	-
	£684	£577

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The Profit / (Loss) on ordinary activities
before taxation is stated after charging
(crediting) the following:-

Bank Charges and Interest Paid	144	77
Interest Received	(207)	(185)

7. RECONCILIATION OF MOVEMENT ON SHAREHOLDERS FUNDS

Opening Balance (Deficit) of funds at 1st April 1995	5,339	5,440
Profit/(Loss) for year after Taxation	26	(101)
Closing Balance (Deficit) at 31st March 1996	£5,365	£5,339

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Appendix A

STRATONE COURT MANAGEMENT LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1996

	1996		1995	
	£	£	£	£
INCOME				
Maintenance Charges Receivable		3,960		3,960
Bank Interest Received	207	3,960	185	3,960
Less: Corporation Tax	52	155	45	140
TOTAL INCOME		4,115		4,100
Deduct: EXPENDITURE				
Insurance	773		721	
Electricity	48		336	
General Maintenance	1,825		1,907	
Agents Commission Charges	699		700	
Accountancy Charges	410		392	
Legal and Debt Collection Expenses	94		-	
Bank Charges and Interest	144		77	
Sundry Expenses	96		68	
		4,089		4,201
EXCESS OF INCOME / (EXPENDITURE) FOR YEAR		£26		(£101)

MANAGING AGENTS REPORT

CORPORATE PROPERTY MANAGEMENT LIMITED

TO

STRATONE COURT MANAGEMENT LIMITED

Under the provisions of Section 249A (1) of Companies Act 1985, your Company is entitled to exemption from Audit. Accounts are still required to be filed with Companies House, and these must still comply with the Companies Act rules for preparation of accounts.

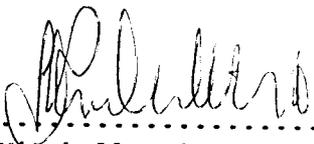
Your Directors remain responsible for ensuring correct Statutory Accounts, in terms of both presentation and content, are filed with Companies House.

However, under the provisions of the Landlord and Tenant Acts 1985 and 1987, your Company is still required to certify the annual expenditure and there is a need for compliance with the Audit requirement under these Acts. We have accordingly instructed the Accountants and Auditors to maintain both the existing format and content of your Accounts. This will provide the detailed requirement for both the Companies Acts and the Landlord and Tenant Acts.

We consider this provides you with comprehensive detail of your Company's finances, and maximises the provision of financial information whilst remaining within the existing cost structure.

For and on behalf of
Corporate Property Management Limited

1-3 Evron Place,
Hertford,
Hertfordshire,
SG14 1PA



.....
L. Mitchell, Director