Registered Number: 02105771

In England and Wales

STRATONE COURT MANAGEMENT LIMITED

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 30TH JUNE 1999

STRATONE COURT MANAGEMENT LIMITED

REPORT OF THE DIRECTORS

The Directors present their annual report with the accounts of the Company for the year ended 30th June 1999.

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review consisted of the management and administration, on a non profit making basis, of the communal areas relating to the development on behalf of the property owners, lessees or tenants.

DIRECTORS

The Directors in office in the year and their beneficial interests in the Company's issued ordinary share capital were as follows:

	1999	1998
N.A. Fisher Esq.	1	1
T. Pickett Esq.	1	1
J. Wilson Esq.	1	1
{App. 6.7.99}P.A. Harris Esq.	1	-

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.

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.

SMALL COMPANY EXEMPTIONS

In preparing the above report, the Directors have taken advantage of special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

Signed on Behalf of
The Board of Directors

....
Director or Secretary

Approved by the Board on..27/12/97...

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF STRATONE COURT MANAGEMENT LIMITED

We have audited the financial statements on pages four to seven which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described on page one, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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.

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 1999 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Cook and Partners

Cook and Partners,
Chartered Accountants
and Registered Auditors,
Manufactory House,
Bell Lane,
Hertford, Herts.

Dated: 29/2/00

STRATONE COURT MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 1999

	Year to 30.06.99	15 Months to 30.06.98
	£	£
TURNOVER (Note 1)	4,680	4,950
Administrative Expenses	6,898	4,733
OPERATING PROFIT / (LOSS)	(2,218)	217
Interest Payable and Bank Charges	(126)	(148)
Interest Receivable	217	110
PROFIT / (LOSS) ON ORDINARY ACTIVITIES before Taxation (Note 6)	(2,127)	179
TAXATION		
Corporation Tax at 21% (21%)	46	10
	(2,173)	169
RETAINED PROFIT / (LOSS) brought forward	3,796	3,627
RETAINED PROFIT / (LOSS) carried forward	£1,623	£3,796

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

STRATONE COURT MANAGEMENT LIMITED

BALANCE SHEET AT 30TH JUNE 1999

	1999		1998	
CURRENT ASSETS	£	£	£	£
Debtors (Note 2)		4,281		4,325
Prepaid Expenses (Note 3)		669		765
		4,950		5,090
Deduct: CREDITORS amounts falling due within one year				
Creditors (Note 4)	278		189	
Accrued Expenses (Note 5)	2,689	2,967	745	934
TOTAL NET ASSETS / (LIABILITIES)		£1,983		£4,156

Represented by:-				
SHARE CAPITAL				
Authorised	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		1,623		3,796
		£1,983		£4,156

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Companies.

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

Signed on behalf of the Board of Directors ____________ Director

These accounts were approved by the Board of Directors on 27/12/99

STRATONE COURT MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 1999

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.

2. DEBTORS: Made up as follows:-

(Amounts owed to the Company)

	1999	1998
	£	£
Maintenance Charges in Arrears	293	207
Agents Current Account	1,687	3,994
Sundry Debtor	2,301	124
	£4,281	£4,325

3. PREPAID EXPENSES: Made up as follows:-

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

	1999	1998
	£	£
Insurance	669	590
Agents Commission Charges	-	175
	£669	£765

4. CREDITORS: Made up as follows:-

(Amounts owed by the Company)

	1999	1998
	£	£
Maintenance Charges in Advance	232	166
Corporation Tax	46	23
	£278	£189

STRATONE COURT MANAGEMENT LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 1999

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)

	1999	1998
	£	£
Communal Electricity Charges	47	87
General Cleaning, Maintenance & Repairs	384	208
Decoration	1,770	-
Audit and Accountancy Charges	437	428
Legal and Debt Collection Charges	18	-
Deferred Payment Charges	33	22
	£2,689	£745

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

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

	1999	1998
Auditors Remuneration	(186)	(182)
Bank Charges and Interest Paid	(126)	(148)
Interest Received	217	110

Appendix A

STRATONE COURT MANAGEMENT LIMITED

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30TH JUNE 1999

	YEAR TO 30TH JUNE 1999		15 MONTHS TO 30TH JUNE 1998	
	£	£	£	£
INCOME				
Maintenance Charges Receivable		4,680		4,950
		4,680		4,950
Bank Interest Received	217		110	
Less: Corporation Tax	46	171	10	100
TOTAL INCOME		4,851		5,050
Deduct: EXPENDITURE				
Insurance Premiums	925		1,028	
Communal Electricity Charges	279		440	
General Cleaning, Maintenance & Repairs	1,525		1,889	
Decoration	1,770		-	
Agents Commission Charges	699		872	
Audit and Accountancy Charges	438		429	
Bank Charges and Interest Payable	126		148	
Sundry Expenses	61		75	
Manhole Covers Replacement & Repairs	338		-	
Re-bed Paving Slabs	477		-	
Insurance Valuation Fee	386		-	
		7,024		4,881
EXCESS OF INCOME / (EXPENDITURE) FOR PERIOD		(£2,173)		£169

This page does not form part of the statutory financial statements.

Appendix B

STRATONE COURT MANAGEMENT LIMITED

BALANCE OF MAINTENANCE CHARGES SUMMARY AS AT 30TH JUNE 1999

	1999	1998
Maintenance Charges in Arrears	£293	£207
Maintenance Charges in Advance	£232	£166

ACCOUNTANTS REPORT UNDER THE LANDLORD AND TENANT ACT 1985

(AS AMENDED BY THE LANDLORD AND TENANT ACT 1987)

STRATONE COURT MANAGEMENT LIMITED

We have reviewed the Income and Expenditure Account on Appendix A and the Balance of Maintenance Charges Summary on Appendix B and can confirm that, in our opinion, they show a fair summary of the expenditure incurred byStratone Court Management Limited for the year ended 30th June 1999 comply with the Landlord and Tenant Act 1985 (as amended by the Landlord and Tenant Act 1987), and are supported by accounts, receipts and other documents provided to us.

Cook and Partners

Cook and Partners,
Chartered Accountants,
Manufactory House,
Bell Lane,
Hertford,
Hertfordshire.

Dated: 29/2/00

This page does not form part of the statutory financial statements.