

20 ABBEY ROAD MANAGEMENT LIMITED

FINANCIAL STATEMENTS
YEAR ENDED 24TH MARCH 1998

CROUCH CHAPMAN
Chartered Accountants
62 Wilson Street
London EC2A 2BU



20 ABBEY ROAD MANAGEMENT LIMITED

DIRECTORS' REPORT

The directors present their report on the affairs of the company, together with the financial statements and auditors' report for the year ended 24th March 1998.

PRINCIPAL ACTIVITIES

The company's principal activities are to enter into leases made between A.M.E. Green (Copartnership Developments Limited prior to 2nd July, 1997) and the various tenants of the residential flats and houses which together comprise the development known as 20 Abbey Road, London NW8, and to manage and maintain the development in accordance with the terms of these leases.

REVIEW OF BUSINESS

The directors are pleased to report that the final sale was completed during the year.

PROFIT AND LOSS ACCOUNT

The expenditure incurred by the company in managing and maintaining the development is recovered in full from lessees or the landlord by way of service charge contributions. Consequently the company makes neither profit nor loss on its activities and accordingly no profit and loss account is included in these accounts.

DIVIDENDS

The company's Memorandum of Association does not permit the payment of dividends.

DIRECTORS

The directors of the company who held office during the year, none of whom had a beneficial interest in the shares of the company, were as follows:

B.D.J. JARVIS	(Resigned 2nd July, 1998)
G.R. JARVIS	(Resigned 2nd July, 1998)
R.A. GREEN	(Appointed 2nd July, 1997)
A.M.E. GREEN	(Appointed 2nd July, 1997)

Messrs. B.D.J. and G.R. Jarvis had an indirect interest in the company as a result of their own interest in the share capital of Ravensale Limited.

DIRECTORS' REPORT

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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 these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 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 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.

AUDITORS

The auditors, Messrs. Crouch Chapman, have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the annual general meeting.

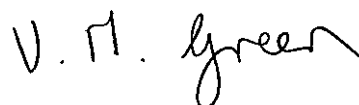
SMALL COMPANIES EXEMPTION

The above report has been prepared with the special provisions of part VII of the companies Act 1985 relating to small companies.

6th Floor, Northway House
1379 High Road
Whetstone
London N20 9LP

22 SEP 1998

BY ORDER OF THE BOARD



V.M. GREEN
Secretary

REPORT OF THE AUDITORS TO THE MEMBERS OF 20 ABBEY ROAD MANAGEMENT LIMITED

We have audited the financial statements on pages 4 and 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the Directors' Report, the company's directors are responsible for the preparation of the 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 judgments 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 affairs of the company as at 24th March 1998 and have been properly prepared in accordance with the Companies Act 1985.

62 Wilson Street
London EC2A 2BU

24th September 1998

Crouch Chapman

CROUCH CHAPMAN


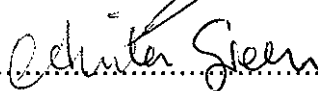
Chartered Accountants
Registered Auditors

20 ABBEY ROAD MANAGEMENT LIMITED

BALANCE SHEET
24TH MARCH 1998

	Notes	1998 £	1997 £
CURRENT ASSETS			
Debtors	3	113	113
		<u> </u>	<u> </u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	4	113	113
		<u> </u>	<u> </u>

The account have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

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) DIRECTORS
))


R. A. GREEN

A. P. GREEN

Approved by the Board on

The accompanying notes are an integral part of this balance sheet.

NOTES TO THE ACCOUNTS
YEAR ENDED 24TH MARCH 1998

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards. A summary of the more important policies, which have been applied consistently, is set out below:

- a) The financial statements are prepared under the historical cost convention.
- b) Under the terms of their leases, the costs of the company's activities in managing and maintaining 20 Abbey Road, London NW8, are met in full by the tenants and the landlord and, accordingly, the company makes neither a profit nor loss on its activities.
- c) The service charge contributions paid by the tenants and the landlord towards the company's costs are held in trust by the company for the tenants' benefit in accordance with Section 42 of the Landlord & Tenant Act 1985. The company has no beneficial interest in these funds and consequently they have been excluded from these accounts.

2. ADMINISTRATIVE EXPENSES

The audit fee and other minor administrative costs have been borne by the Service Charge Fund.

3. DEBTORS	1998	1997
	£	£
The following amounts are included in debtors:		
Due from Service Charge Fund	113	113
	<u> </u>	<u> </u>
4. SHARE CAPITAL	1998	1997
	£	£
Authorised:		
Equity interests:		
105 A ordinary shares of £1 each	105	105
8 B ordinary shares of £1 each	8	8
	<u> </u>	<u> </u>
	113	113
	<u> </u>	<u> </u>
Allotted, called up and fully paid:		
Equity interests:		
105 A ordinary shares of £1 each	105	105
8 B ordinary shares of £1 each	8	8
	<u> </u>	<u> </u>
	113	113
	<u> </u>	<u> </u>