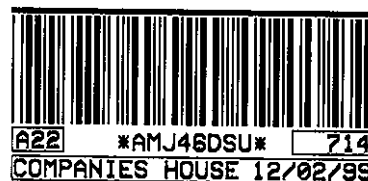


ST PHILLIPS GARDEN PROPERTIES LIMITED
ABBREVIATED FINANCIAL STATEMENTS AND
AUDITORS' REPORT
FOR THE YEAR ENDED 31 MAY 1998

INDEX TO THE ACCOUNTS

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The company's registered number is 642127



ST PHILLIPS GARDEN PROPERTIES LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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 directors are 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 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 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.

AUDITORS' REPORT
TO ST PHILLIPS GARDEN PROPERTIES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 5, together with the financial statements of the company for the year ended 31 May 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full statutory accounts.

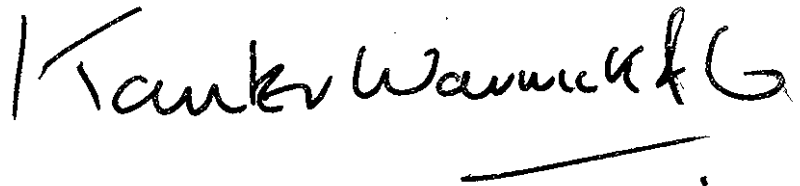
Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 5 are properly prepared in accordance with those provisions.

Kanter Warwick & Co
Chartered Accountants and Registered Auditors

Senator House
2 Graham Road
Hendon
London NW4 3HJ

20 January 1999




ST PHILLIPS GARDEN PROPERTIES LIMITED
ABBREVIATED BALANCE SHEET
AT 31 MAY 1998

| | Notes | 1998 £ | 1997 £ |
|---|-------|--------------------|-----------------|
| FIXED ASSETS | | | |
| Tangible Assets | 1b,2 | 129,124 | 129,124 |
| CURRENT ASSETS | | | |
| Debtors | | 12,004 | 145 |
| CREDITORS: Amounts falling due within one year | | 12,004 (96,762) | 145 (92,520) |
| NET CURRENT LIABILITIES | | (84,758) | (92,375) |
| NET ASSETS | | £ 44,366 | £ 36,749 |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 3 | 200 | 200 |
| Profit and loss account | | 44,166 | 36,549 |
| TOTAL CAPITAL EMPLOYED | | £ 44,366 | £ 36,749 |

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

These abbreviated accounts were approved by the board of directors on 20 January 1999

 JJS Symons - Director

The notes on pages 4 to 5 form part of these accounts

ST PHILLIPS GARDEN PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 1998

1. ACCOUNTING POLICIES

1a. Basis of accounting

The accounts have been prepared under the historical cost convention.

1b. Tangible fixed assets

Investment properties are stated at cost and have not been revalued. This represents a departure from the recommendations of the Statement of Standard Accounting Practice No.19, under which investment properties are required to be revalued annually. The Directors are of the opinion that the market values of the Company's investment properties are substantially in excess of cost and the auditors are in agreement therewith

Other fixed assets are shown at cost.

| | | |
|------------------------------------|------|------|
| Freehold buildings - % on cost | 1998 | 1997 |
| Furniture and fittings - % on cost | Nil | Nil |
| | 15 | 15 |

1c. Taxation

Corporation tax payable is provided on taxable profits at the current rate.

1d. Turnover

Turnover comprises the amounts (excluding value added tax) derived from the provision of rents receivable in the normal course of business during the year.

1e. Cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard No 1 "Cash flow statements"

ST PHILLIPS GARDEN PROPERTIES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 1998

2. TANGIBLE FIXED ASSETS

| | 1998 | 1997 |
|-------------------------|-------------|-------------|
| Cost | £ | £ |
| At 1 June 1997 | 180,964 | 180,964 |
| At 31 May 1998 | 180,964 | 180,964 |
| Depreciation | | |
| At 1 June 1997 | 51,840 | 51,840 |
| At 31 May 1998 | 51,840 | 51,840 |
| Net Book Amounts | | |
| At 31 May 1998 | £ 129,124 | £ 129,124 |

3. CALLED UP SHARE CAPITAL

| | 1998 | 1997 |
|---|-------------|-------------|
| Authorised: | | |
| | £ | £ |
| 100 Ordinary shares of £1 each | 100 | 100 |
| 100 Deferred shares of £1 each | 100 | 100 |
| | £ 200 | £ 200 |
| Allotted, issued and fully paid: | | |
| | £ | £ |
| 100 Ordinary shares of £1 each | 100 | 100 |
| 100 Deferred shares of £1 each | 100 | 100 |
| Total called up share capital | £ 200 | £ 200 |