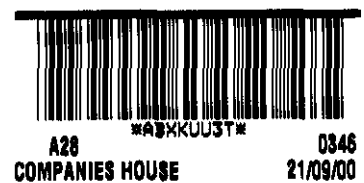


ELLIOT PROPERTY INVESTMENT COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 27TH JANUARY 2000

Company No. 1350091



ELLIOT PROPERTY INVESTMENT COMPANY LIMITED

COMPANY INFORMATION

Directors	B.J Hay R.D.E Hay M.E.E Hodges
Secretary	B.J Hay
Company Number	1350091
Registered Office	Lincolns Farm Lincolns Lane South Weald Essex CM14 5RS
Reporting Accountants	Keeling Lester & Co Chartered Certified Accountants 45 Chigwell Road South Woodford London E18 1NG
Solicitors	Fenton Hunwicks 142 South Street Romford Essex RM1 1SX
Bankers	Barclays Bank Plc 53-55 Perth Road Ilford Essex IG2 6BU

ELLIOT PROPERTY INVESTMENT COMPANY LIMITED

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ELLIOT PROPERTY INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 27TH JANUARY 2000

The directors present their report together with the financial statements for the year ended 27th January 2000.

Principal Activities

The company's principal activity is that of property investment.

Freehold Property

The directors consider that the values of the properties owned by the company are in excess of their book values. Statement of Standard Accounting Practice No. 19 requires that investment properties be revalued annually. The directors have provided their own estimates as to the current market values of the properties but no professional valuation has been carried out. The directors have estimated the current market values of the properties held by the company at 27th January 2000 at £409,000.

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary Shares	
	27th January 2000	28th January 1999
B.J Hay	1	1
R.D.E Hay	1	1
M.E.E Hodges	1	1

In addition to the 1 share owned by Mrs B J Hay, her husband, Mr B E Hay, owns 5 shares in the company.

Political and Charitable Contributions

The company made charitable donations during the year amounting to £180.

Year 2000 Compliance

The company has not encountered any problems as a result of the date change to the year 2000 and does not expect any to arise.

ELLIOT PROPERTY INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 27TH JANUARY 2000

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 the company's affairs and of the profit or loss for that year. In preparing these financial statements the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

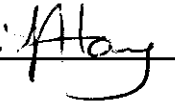
Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and 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. The directors acknowledge these responsibilities.

Small company exemptions

The report of the Directors' has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and was approved by the board on 5th July 2000, and signed on its behalf.

B.J Hay, Secretary

Date: 5.7.2000 

ELLIOT PROPERTY INVESTMENT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 27TH JANUARY 2000

	Notes	2000 £	1999 £
Turnover	2	49,085	113,869
Cost of Sales		6,969	-
Gross Profit		42,116	113,869
Administrative Expenses		19,584	22,471
Operating Profit	3	22,532	91,398
Interest Receivable		2,179	3,097
Interest Payable and Similar Charges		(12,979)	(6,947)
Profit on Ordinary Activities before Taxation		11,732	87,548
Tax on profit on ordinary activities	4	2,413	6,215
Profit for the Financial Year		9,319	81,333
Dividends		1,800	1,440
Retained Profit for the Year		7,519	79,893
Retained Profit Brought Forward		188,202	108,309
Retained Profit Carried Forward		195,721	188,202

ELLIOT PROPERTY INVESTMENT COMPANY LIMITED

BALANCE SHEET

AS AT 27TH JANUARY 2000

	Notes	£	2000 £	£	1999 £
Fixed Assets					
Tangible assets	5		147		195
Investments	6		326,032		326,031
			<u>326,179</u>		<u>326,226</u>
Current Assets					
Debtors	7	66,891		65,436	
Cash at bank and in hand		24,752		55,403	
		<u>91,643</u>		<u>120,839</u>	
Creditors: Amounts Falling Due Within One Year	8	<u>74,485</u>		<u>98,024</u>	
Net Current Assets			<u>17,158</u>		<u>22,815</u>
Total Assets Less Current Liabilities			<u>343,337</u>		<u>349,041</u>
Creditors: Amounts Falling Due After More Than One Year	9		<u>147,607</u>		<u>160,830</u>
			<u>195,730</u>		<u>188,211</u>
Capital and Reserves					
Share capital	11		9		9
Profit and loss account			195,721		188,202
Shareholders' Funds			<u>195,730</u>		<u>188,211</u>

The directors are of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the year ended 27th January 2000.

The directors confirm that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,

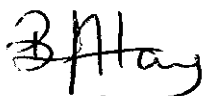
and preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to financial statements, so far as applicable to the company.

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

These financial statements were approved by the board on

and signed on its behalf.

B.J Hay
Director



The notes on pages 6 to 8 form part of these financial statements.

ELLIOT PROPERTY INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 27TH JANUARY 2000

1 Accounting Policies

Basis of Accounting

The Financial Statements have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by the reducing balance method over their expected useful lives. The rate generally applicable is:

Office equipment	25%
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Investment Properties

The company does not have its properties professionally revalued on an annual basis. The directors provide their own estimates.

2 Turnover

The turnover was derived from the Company's principal activity, which was carried out wholly in the UK. (The comparative figure, for the year ended 27th January 1999, included a profit of £88,875 resulting from the disposal of a property.)

Turnover is attributable to the principal activity of the company.

3 Operating Profit

The operating profit is arrived at after charging or crediting:

	2000	1999
	£	£
Depreciation of owned assets	48	65

ELLIOT PROPERTY INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 27TH JANUARY 2000

4 Taxation

	2000 £	1999 £
Based on the profit for the year		
UK corporation tax at 21%/20% (1999 21%)	2,413	6,215
	<u>2,413</u>	<u>6,215</u>

5 Tangible Fixed Assets

	Plant and machinery etc £	Total £
Cost		
At 28th January 1999	2,008	2,008
At 27th January 2000	<u>2,008</u>	<u>2,008</u>
Depreciation		
At 28th January 1999	1,813	1,813
Charge for the year	48	48
At 27th January 2000	<u>1,861</u>	<u>1,861</u>
Net Book Value		
At 27th January 2000	<u>147</u>	<u>147</u>
At 27th January 1999	<u>195</u>	<u>195</u>

6 Fixed Assets Investments

	Invest- ments Other than Loans	Total
Cost	£	£
At 28th January 1999	326,032	326,032
At 27th January 2000	<u>326,032</u>	<u>326,032</u>

7 Debtors

	2000 £	1999 £
Trade debtors	1,027	248
Other debtors	65,864	65,188
	<u>66,891</u>	<u>65,436</u>

ELLIOT PROPERTY INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 27TH JANUARY 2000

8 Creditors: Amounts Falling Due Within One Year

	2000	1999
	£	£
Bank loans and overdrafts	8,279	6,036
Trade creditors	40	3,320
Other creditors	59,973	62,475
Directors' loan accounts	6,193	26,193
	<u>74,485</u>	<u>98,024</u>

9 Creditors: Amounts Falling Due After One Year

	2000	1999
	£	£
Bank loans and overdrafts	147,607	160,830
	<u>147,607</u>	<u>160,830</u>

10 Secured Creditors

Loans totalling £155,886 are secured on fixed asset investments.

11 Share Capital

	2000	1999
	£	£
Authorised		
100 Ordinary shares of £1.00 each	100	100
	<u>100</u>	<u>100</u>
Allotted		
9 Allotted, called up and fully paid ordinary shares of £1.00 each	9	9
	<u>9</u>	<u>9</u>

12 Related Parties

During the year ended 27th January 2000, Mr B. E. Hay, a shareholder and husband of a director of the company received fees and reimbursed expenses totalling £15,513.