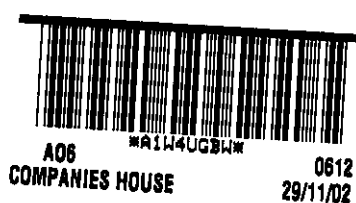


THE OSPREY MANAGEMENT COMPANY LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2002



THE OSPREY MANAGEMENT COMPANY LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

DIRECTORS:

V. S. N. Hards
T. Osborne
J.E. Brewer

SECRETARY:

J. E. Brewer

REGISTERED OFFICE:

112 Mill Plat
Old Isleworth
Middlesex
TW7 6BZ

REGISTERED NUMBER:

1864755

ACCOUNTANTS:

Wilkins Kennedy
Chartered Accountants
Gladstone House
77 - 79 High Street
Egham, Surrey
TW20 9HY

THE OSPREY MANAGEMENT COMPANY LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2002

The directors present their report with the financial statements of the company for the year ended 30 September 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property management.

DIRECTORS

The directors during the year under review were:

V. S. N. Hards
T. Osborne
J.E. Brewer

The beneficial interests of the directors holding office on 30 September 2002 in the issued share capital of the company were as follows:

	30.9.02	1.10.01
Ordinary £1.00 shares		
V. S. N. Hards	60,000	60,000
T. Osborne	-	-
J.E. Brewer	-	-

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



J. E. Brewer - SECRETARY

Dated: 27.11.2002

THE OSPREY MANAGEMENT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2002

	Notes	2002 £	2001 £
TURNOVER		169,668	139,310
Cost of sales		<u>(11,827)</u>	<u>(9,766)</u>
GROSS PROFIT		157,841	129,544
Administrative expenses		<u>(100,548)</u>	<u>(108,905)</u>
OPERATING PROFIT	2	57,293	20,639
Interest receivable and similar income		<u>367</u>	<u>925</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		57,660	21,564
Tax on profit on ordinary activities	3	<u>(8,661)</u>	<u>(5,729)</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		48,999	15,835
Dividends	4	<u>(45,000)</u>	<u>(15,000)</u>
RETAINED PROFIT FOR THE YEAR		<u>£3,999</u>	<u>£835</u>

The notes form part of these financial statements

THE OSPREY MANAGEMENT COMPANY LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 SEPTEMBER 2002

	2002 £	2001 £
PROFIT FOR THE FINANCIAL YEAR	48,999	15,835
Surplus arising on freehold revaluation	24,700	54,400
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	£73,699	£70,235
	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

THE OSPREY MANAGEMENT COMPANY LIMITED

**BALANCE SHEET
30 SEPTEMBER 2002**

	Notes	2002 £	2001 £
FIXED ASSETS:			
Tangible assets	5	330,485	318,442
CURRENT ASSETS:			
Debtors	6	26,774	15,300
Cash at bank and in hand		51,632	54,679
		<u>78,406</u>	<u>69,979</u>
CREDITORS:			
Amounts falling due within one year	7	(51,032)	(56,761)
NET CURRENT ASSETS:		<u>27,374</u>	<u>13,218</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		357,859	331,660
PROVISIONS FOR LIABILITIES AND CHARGES:	8	(11,000)	(13,500)
		<u>£346,859</u>	<u>£318,160</u>
CAPITAL AND RESERVES:			
Called up share capital	9	60,000	60,000
Revaluation reserve	10	221,700	197,000
Profit and loss account	10	65,159	61,160
SHAREHOLDERS' FUNDS:		<u>£346,859</u>	<u>£318,160</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 September 2002.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2002 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

THE OSPREY MANAGEMENT COMPANY LIMITED

BALANCE SHEET
30 SEPTEMBER 2002

These 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 (effective June 2002).

ON BEHALF OF THE BOARD:



V. S. N. Hards - DIRECTOR

Approved by the Board on 27.11.2002

The notes form part of these financial statements

THE OSPREY MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc	- 25% on cost and at varying rates on cost
-------------------------	---

In accordance with Statement of Standard Accounting Practice No. 19, certain of the company's properties are held for long-term investment and are included in the Balance Sheet at their open market values. The surplus or deficit on annual revaluation of such properties are transferred to the investment property revaluation reserve. Depreciation is not provided in respect of freehold investment properties.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

THE OSPREY MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2002 £	2001 £
Depreciation - owned assets	7,921	12,545
Profit on disposal of fixed assets	(1,975)	-
	<u>36,862</u>	<u>37,506</u>
Directors' emoluments	<u>36,862</u>	<u>37,506</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2002 £	2001 £
Current tax:		
UK corporation tax	11,400	5,690
UK Corporation tax -prior year	(239)	39
Total current tax	<u>11,161</u>	<u>5,729</u>
Deferred tax:		
Deferred taxation	(2,500)	-
Tax on profit on ordinary activities	<u>8,661</u>	<u>5,729</u>

UK corporation tax has been charged at 19.50% (2001 - 18%).

4. DIVIDENDS

	2002 £	2001 £
Interim dividend paid	35,000	15,000
Final	10,000	-
	<u>45,000</u>	<u>15,000</u>

THE OSPREY MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002

5. TANGIBLE FIXED ASSETS

	Freehold investment property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION:					
At 1 October 2001	247,000	121,682	21,923	8,886	399,491
Additions	-	-	-	289	289
Disposals	-	-	(21,923)	-	(21,923)
Revaluations	24,700	-	-	-	24,700
At 30 September 2002	271,700	121,682	-	9,175	402,557
DEPRECIATION:					
At 1 October 2001	-	58,655	15,985	6,409	81,049
Charge for year	-	6,084	913	924	7,921
Eliminated on disposal	-	-	(16,898)	-	(16,898)
At 30 September 2002	-	64,739	-	7,333	72,072
NET BOOK VALUE:					
At 30 September 2002	271,700	56,943	-	1,842	330,485
At 30 September 2001	247,000	63,027	5,938	2,477	318,442

Cost or valuation at 30 September 2002 is represented by:

	Freehold investment property £	Fixtures and fittings £	Computer equipment £	Totals £
Valuation in 2001	54,400	-	-	54,400
Valuation in 2002	24,700	-	-	24,700
Cost	192,600	121,682	9,175	323,457
	271,700	121,682	9,175	402,557

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	2002 £	2001 £
Cost	50,000	50,000

Freehold land and buildings were valued on an open market basis on 30 September 2002 by the directors of the company.

Freehold investment property cost of £192,600 shown above includes a revaluation in 1997 of £142,600.

THE OSPREY MANAGEMENT COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002**

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
	£	£
Trade debtors	75	75
Other debtors	26,699	15,225
	<u>26,774</u>	<u>15,300</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
	£	£
Bank loans and overdrafts	5,747	2,547
Corporation tax	11,400	5,690
Other taxes and social security	9,822	3,512
Proposed dividends	10,000	-
Other creditors	2,000	22,432
Directors' current accounts	2,569	1,598
Accruals and deferred income	9,494	20,982
	<u>51,032</u>	<u>56,761</u>

Directors' current accounts relates wholly to V. S. N. Hards £2,569 (2001 - £1,598).

8. PROVISION FOR LIABILITIES AND CHARGES

	2002	2001
	£	£
Deferred tax	11,000	13,500

	Deferred tax £
Balance at 1 October 2001	13,500
Accelerated capital allowances	(2,500)
Balance at 30 September 2002	<u>11,000</u>

	2002	2001
	£	£
Deferred tax provision	11,000	13,500
Deferred taxation	<u>11,000</u>	<u>13,500</u>

THE OSPREY MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002

9. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2002 £	2001 £
75,000	Ordinary	£1.00	<u>75,000</u>	<u>75,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2002 £	2001 £
60,000	Ordinary	£1.00	<u>60,000</u>	<u>60,000</u>

10. RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 October 2001	61,160	197,000	258,160
Retained profit for the year	3,999	-	3,999
Revaluation in year	-	24,700	24,700
At 30 September 2002	<u>65,159</u>	<u>221,700</u>	<u>286,859</u>

11. TRANSACTIONS WITH DIRECTORS

The company paid rent amounting to £3,000 (2001 - £3,000) to V. S. N. Hards a director of the company. V. S. N. Hards is the company's ultimate controlling party.