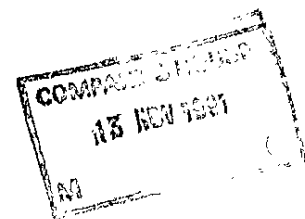


COMPANY NUMBER 2460488

MAINSTREAM FORTY-SEVEN LIMITED
(FORMERLY INGLEBY (461) LIMITED)

REPORT AND ACCOUNTS

PERIOD FROM INCORPORATION TO 31 MARCH 1991



MAINSTREAM FORTY-SEVEN LIMITED
(FORMERLY INGLEBY (461) LIMITED)

DIRECTORS

S. Cooper
D.K. Evans
B.G. Griffiths
M.E. Jones
D.W.J. Patience
P.C. Roberts

SECRETARY AND REGISTERED OFFICE

T.M. O'Connor
Rivermill House
152 Grosvenor Road
London SW1V 3JL

JOINT AUDITORS

Cape & Dalgleish
Chartered Accountants
Registered Auditor
401 St John Street
London EC1V 4LH

Price Waterhouse
Chartered Accountants
Registered Auditor
Southwark Towers
32 London Bridge Street
London SE1 9SY

BANKERS

National Westminster Bank Plc
Fountain House
Burslem
Stoke-on-Trent ST6 3QA

SOLICITORS

Wragge & Co
Bank House
8 Cherry Street
Birmingham B2 5JY

Needham & James
Swan House
37-39 High Holborn
London WC1V 6AA

INDEX

| | Page |
|-------------------------|------|
| Directors' report | 1 |
| Auditors' report | 3 |
| Profit and loss account | 4 |
| Balance sheet | 5 |
| Notes to the accounts | 6 |

MAINSTREAM FORTY-SEVEN LIMITED
(FORMERLY INGLEBY (461) LIMITED)

DIRECTORS' REPORT

The directors present their first report and the accounts of the company for the period ended 31 March 1991.

The company was incorporated on 17 January 1990 under the name of Ingleby (461) Limited.

The company changed its name by Special Resolution to Mainstream Forty-Seven Limited with effect from 12 February 1990.

PRINCIPAL ACTIVITIES

The company's principal activities are that of property development and investment. Subsequent to the period end, the company commenced on-site development of a site at Saltley, Birmingham.

The results for the period are set out in the profit and loss account on page 4. The loss for the period of £57,379 will be transferred to reserves.

SHARE CAPITAL

On 5 April 1990, the authorised share capital of the company was designated as 500 'A' shares, 500 'B' shares and 1 'C' share. On the same date, all authorised shares were allotted and issued for cash at par for the purpose of providing working capital.

DIVIDENDS

No distributable profits arise in the period and so the directors are unable to recommend the payment of any dividend, including the fixed cumulative preference dividend of £100 per annum payable to the holders of the 'A' shares in accordance with the Articles of Association.

This dividend will be accumulated and paid in preference on the first distribution of profits.

POST BALANCE SHEET EVENT

Subsequent to the period end, the company has obtained the finance required for the development at Saltley, Birmingham.

DIRECTORS

The directors who served in office during the period are set out in the table below together with their date of appointment and if appropriate their date of resignation:

| | <u>Date of Appointment</u> | <u>Date of Resignation</u> |
|--------------------------|----------------------------|----------------------------|
| Ingleby Holdings Limited | 17 January 1990 | 5 April 1990 |
| P. Byrom | 5 April 1990 | 8 January 1991 |
| S. Cooper | 5 April 1990 | - |
| D.K. Evans | 5 April 1990 | - |
| M.E. Jones | 5 April 1990 | - |
| D.W.J. Patience | 8 January 1991 | - |
| P.C. Roberts | 5 April 1990 | - |
| H.P. Starbuck | 5 April 1990 | - |

H.P. Starbuck resigned as a director on 20 August 1991. B.G. Griffiths was appointed a director on 20 August 1991.

None of the directors who held office at 31 March 1991 had any interest in the share capital of the company.

MAINSTREAM FORTY-SEVEN LIMITED
(FORMERLY INGLEBY (461) LIMITED)

DIRECTORS' REPORT (CONTINUED)

DIRECTORS INTERESTS

None of the directors were interested in the shares of the company or any other subsidiary of the ultimate holding company, British Gas plc, at their date of appointment or at the beginning and end of the period.

With the exception of those directors listed in the table below, none of the directors had any interest in the ordinary 25p shares of the ultimate holding company, British Gas plc.

| | <u>At date of appointment</u> | <u>At 31 March 1991</u> |
|-----------------|-------------------------------|-------------------------|
| D.K. Evans | 1,630 | 2,228 |
| D.W.J. Patience | 2,795 | 2,795 |
| P.C. Roberts | 1,226 | 1,650 |

British Gas plc has a share option scheme by which employees are able to subscribe for shares in British Gas plc. The interests of the directors in the employee sharesave options at the period end were:

D.K. Evans

5,522 ordinary 25p shares at £1.34 exercisable between 25 April 1992 and 25 October 1992

2,168 ordinary 25p shares at £1.66 between 25 February 1995 and 25 August 1995.

P.C. Roberts

1,184 ordinary 25p shares at £1.90 exercisable between 1 February 1996 and 30 July 1996.

The following interests, included above, were granted during the period.

P.C. Roberts

1,184 ordinary 25p shares at £1.90 exercisable between 1 February 1996 and 30 July 1996.

AUDITORS

A resolution in accordance with Section 384(1) Companies Act 1985 for the re-appointment of Cape & Dalglish and Price Waterhouse as joint auditors of the company and to authorise the directors to fix their remuneration will be proposed at an Extraordinary General Meeting.

Approved and signed on behalf of the Board of Directors
on 8th November 1991

Patience

DONALD WILLIAM JOHN PATIENCE - DIRECTOR

AUDITORS' REPORT TO THE MEMBERS OF

MAINSTREAM FORTY-SEVEN LIMITED
(FORMERLY INGLEBY (461) LIMITED)

We have audited the accounts on pages 4 to 7 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the company's affairs at 31 March 1991 and of its results for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Cape & Dalgleish

CAPE & DALGLEISH
Chartered Accountants
Registered Auditor
401 St John Street
London EC1V 4LH

8 November 1991

Price Waterhouse

PRICE WATERHOUSE
Chartered Accountants
Registered Auditor
Southwark Towers
32 London Bridge Street
London SE1 9SY

8 November 1991

MAINSTREAM FORTY-SEVEN LIMITED
(FORMERLY INGLEBY (461) LIMITED)

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 MARCH 1991

| | <u>Note</u> | <u>1991</u> <u>£</u> |
|------------------------------------------------|-------------|-------------------------|
| Administrative expenses | | (57,379) ----- |
| Loss on ordinary activities before taxation | 2 | (57,379) |
| Taxation | 3 | - ----- |
| Loss on ordinary activities after taxation | | (57,379) |
| Dividend | 4 | - ----- |
| Loss for the period | | (57,379) ===== |

MAINSTREAM FORTY-SEVEN LIMITED
(FORMERLY INGLEBY (461) LIMITED)

BALANCE SHEET

AS AT 31 MARCH 1991

| | <u>Note</u> | <u>1991</u> <u>£</u> |
|---------------------------------------------------|-------------|-------------------------|
| CURRENT ASSETS | | |
| Stocks | 5 | 374,034 |
| Debtors | 6 | 3,510 |
| Cash at bank and in hand | | 855 |
| | | ----- |
| | | 378,399 |
| CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 7 | (434,777) |
| | | ----- |
| NET CURRENT LIABILITIES | | (56,378) |
| | | ===== |
| CAPITAL AND RESERVES | | |
| Called up share capital | 8 | 1,001 |
| Profit and loss account | | (57,379) |
| | | ----- |
| | | (56,378) |
| | | ===== |

Approved and signed on behalf of the Board of Directors
on 8th November 1991

SCOTT COOPER

)
)
) DIRECTORS
)
)

DAVID KELVIN EVANS

MAINSTREAM FORTY-SEVEN LIMITED
(FORMERLY INGLEBY (461) LIMITED)

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31 MARCH 1991

1. ACCOUNTING POLICIES

The following policies, which have been consistently applied, are considered material in relation to the company's accounts.

These accounts have been prepared in accordance with applicable UK Accounting Standards.

a) Basis of accounting

The accounts have been prepared under the historical cost accounting rules as set out in Schedule 4 Companies Act 1985.

b) Stocks and work in progress

Stocks are stated at the lower of cost and net realisable value. Cost includes directly attributable fees, expenses and finance charges. Net realisable value is based on estimated selling price less all further costs expected to be incurred to completion and disposal.

1991
£

2. LOSS ON ORDINARY ACTIVITIES
BEFORE TAXATION

a) This is stated after charging:-

Operating lease rentals - plant and machinery
Auditors' remuneration

55
1,000
=====

b) The only employees of the company during the period were the directors, none of whom received any remuneration from the company for their services.

3. TAXATION

There is no liability to corporation tax due to the availability of losses arising during the period.

4. DIVIDEND

No distributable profits arise in the period and so the directors are unable to recommend the payment of any dividend.

The fixed cumulative preference dividend of £100 per annum payable to the holders of the 'A' shares will be accumulated and paid in preference on the first distribution of profits.

1991
£

5. STOCKS

Work in progress

374,034
=====

Work in progress includes £22,500 of interest and fees capitalised during the period.

MAINSTREAM FORTY-SEVEN LIMITED
(FORMERLY INGLEBY (461) LIMITED)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 1991

| | <u>1991</u> |
|---------------|-------------|
| | <u>£</u> |
| 6. DEBTORS | |
| Other debtors | 3,510 |
| | ===== |

7. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR

| | |
|--------------------------------------|---------|
| Trade creditors | 52,506 |
| Amounts owed to group undertakings | 151,925 |
| Amounts owed to related undertakings | 163,099 |
| Accruals and deferred income | 67,247 |
| | ----- |
| | 434,777 |
| | ===== |

8. SHARE CAPITAL

| | |
|-------------------------------------|-------|
| Authorised, allotted and fully paid | |
| 500 'A' ordinary shares of £1 each | 500 |
| 500 'B' ordinary shares of £1 each | 500 |
| 1 'C' ordinary share of £1 | 1 |
| | ----- |
| | 1,001 |
| | ===== |

9. ULTIMATE HOLDING COMPANY

The directors regard British Gas plc, a company incorporated in England, as the company's ultimate holding company.

10. COMPARATIVE FIGURES

No comparative figures are available for these accounts since this is the first accounting period since incorporation.

11. POST BALANCE SHEET EVENT

Subsequent to the year end, the company has obtained the finance required for the development at Saltley, Birmingham.