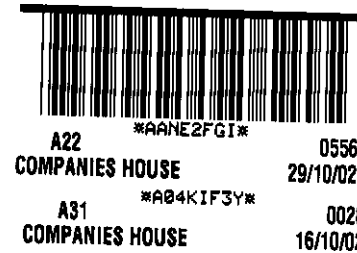


Relocate UK Limited

Report and Financial Statements

Year Ended

31 March 2002



BDO Stoy Hayward
Chartered Accountants

Relocate UK Limited

Annual report and financial statements for the year ended 31 March 2002

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Directors

L A Thurlow
P S Weller
C R L Phillips
M J Light

Secretary and registered office

M J Light, Crown House, Church Road, Claygate, Esher, Surrey KT10 0LP

Company number

3009421

Auditors

BDO Stoy Hayward, Emerald House, East Street, Epsom Surrey, KT17 1HS

Relocate UK Limited

Report of the directors for the year ended 31 March 2002

The directors present their report together with the audited financial statements for the year ended 31 March 2002.

Results and dividends

The profit and loss account is set out on page 5 and shows the profit for the year.

During the year an interim dividend of £800 per ordinary share was paid (2001: £770). The directors do not recommend the payment of a final dividend for the year under review.

Principal activities, review of business and future developments

The company's principal activity is the provision of residential property-related facilities and management services, mainly to international corporate clients.

The directors were satisfied with the profit for the year and expect similar results to be achieved in future years.

Directors

The directors of the company during the year were:

L A Thurlow

P S Weller

C R L Phillips

M J Light (appointed 27 July 2001)

J M Cliffe (resigned 29 June 2001)

No director had any beneficial interest in the share capital of the company during the year.

The interests of the directors in the share capital of the parent company, Leaders Group Limited, are set out in the directors' report of that company.

Relocate UK Limited

Report of the directors for the year ended 31 March 2002 (*Continued*)

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 year. In preparing those 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; and
- 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

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the board

M J Light



Secretary

7 August 2002

Relocate UK Limited

Report of the independent auditors

To the shareholders of Relocate UK Limited

We have audited the financial statements of Relocate UK Limited for the year ended 31 March 2002 on pages 5 to 12 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 judgements 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.

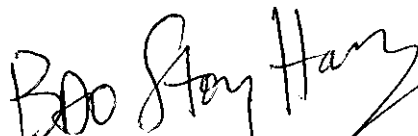
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Relocate UK Limited

Report of the independent auditors (*Continued*)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD

*Chartered Accountants
and Registered Auditors*
Epsom, Surrey

7 August 2002

Relocate UK Limited**Profit and loss account for the year ended 31 March 2002**

	Note	2002 £	2001 £
Turnover	2	161,229	175,391
Administrative expenses		104,110	102,400
		<hr/>	<hr/>
Operating profit	3	57,119	72,991
Interest payable and similar charges	6	(1,382)	(1,469)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		55,737	71,522
Taxation on profit on ordinary activities	7	11,000	6,415
		<hr/>	<hr/>
Profit on ordinary activities after taxation for the year		44,737	65,107
Dividends	8	80,000	77,000
		<hr/>	<hr/>
Accumulated loss for the financial year		(35,263)	(11,893)
Retained profit brought forward		38,463	50,356
		<hr/>	<hr/>
Retained profit carried forward		3,200	38,463
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

There are no movements in shareholders' funds in the current and prior year apart from the profit for the year.

The notes on pages 7 to 12 form part of these financial statements.

Relocate UK Limited

Balance sheet at 31 March 2002

	Note	2002 £	2002 £	2001 £	2001 £
Fixed assets					
Tangible assets	9		3,353		3,866
Current assets					
Stocks	10	2,682		-	
Debtors	11	439,279		311,157	
		<u>441,961</u>		<u>311,157</u>	
Creditors: amounts falling due within one year	12	442,014		276,460	
		<u>442,014</u>		<u>276,460</u>	
Net current (liabilities)/assets			(53)		34,697
			<u>(53)</u>		<u>34,697</u>
Total assets less current liabilities			3,300		38,563
			<u>3,300</u>		<u>38,563</u>
Capital and reserves					
Called up share capital	13		100		100
Profit and loss account			3,200		38,463
			<u>3,300</u>		<u>38,463</u>
Equity shareholders' funds			3,300		38,563
			<u>3,300</u>		<u>38,563</u>

The financial statements were approved by the Board on 7 August 2002.



L A Thurlow
Director

The notes on pages 7 to 12 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 1985.

Turnover

Turnover represents fees receivable from outside customers at invoiced amounts net of value added tax, together with management charges to other group companies for introducing new customers. Invoices to customers comprise recoverable disbursements together with the fee element recognised by the company as turnover.

Accordingly trade debtors and trade creditors include disbursements which are not included within the company's turnover and administrative expenses.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, except for investment properties, freehold land and certain buildings, evenly over their expected useful lives. It is calculated at the following rates:

Computer equipment	- 15%
--------------------	-------

Stocks

Stocks are valued at purchase cost. Stocks of promotional materials are held in order to support the company's marketing activity, rather than for resale.

Pensions

Contributions to employees' personal pension schemes are charged to the profit and loss account in the year in which they become payable.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

Relocate UK Limited

Notes forming part of the financial statements for the year ended 31 March 2002 (Continued)

3 Operating profit

	2002 £	2001 £
This is arrived at after charging:		
Depreciation of tangible fixed assets	1,079	1,025
Audit services	2,485	2,400
	<u> </u>	<u> </u>

4 Employees

Staff costs (including directors) consist of:

	2002 £	2001 £
Wages and salaries	46,879	58,938
Social security costs	8,066	5,204
	<u> </u>	<u> </u>
	54,945	64,142
	<u> </u>	<u> </u>

The average number of employees (including directors) during the year was as follows:

	2002 Number	2001 Number
Sales and administration	5	5
	<u> </u>	<u> </u>

5 Directors' remuneration

No director received any emoluments during the current year (2001 - £NIL).

6 Interest payable and similar charges

	2002 £	2001 £
Bank loans and overdraft	1,382	1,469
	<u> </u>	<u> </u>

Relocate UK Limited

Notes forming part of the financial statements for the year ended 31 March 2002 (*Continued*)

7 Taxation on profit on ordinary activities

	2002 £	2001 £
<i>Current tax</i>		
UK corporation tax at 20% on profits of the year	11,000	8,000
Adjustment in respect of previous periods	-	(1,585)
	<hr/>	<hr/>
Total current tax	11,000	6,415
	<hr/>	<hr/>

There were no material factors affecting the current tax charge for the year other than the 20% applied rate of corporation tax.

8 Dividends

	2002 £	2001 £
<i>Equity shares</i>		
Ordinary shares		
Interim paid of £800 (2001 - £770) per share	80,000	77,000
	<hr/>	<hr/>

Relocate UK Limited

Notes forming part of the financial statements for the year ended 31 March 2002 (*Continued*)

9 Tangible fixed assets

	Computer equipment £
<i>Cost</i>	
At 1 April 2001	6,872
Additions	566
	<hr/>
At 31 March 2002	7,438
	<hr/>
<i>Depreciation</i>	
At 1 April 2001	3,006
Provided for the year	1,079
	<hr/>
At 31 March 2002	4,085
	<hr/>
<i>Net book value</i>	
At 31 March 2002	3,353
	<hr/> <hr/>
At 31 March 2001	3,866
	<hr/> <hr/>

10 Stocks

	2002 £	2001 £
Stationery	2,682	-
	<hr/> <hr/>	<hr/> <hr/>

Relocate UK Limited

Notes forming part of the financial statements for the year ended 31 March 2002 (*Continued*)

11 Debtors

	2002 £	2001 £
Trade debtors	270,753	203,075
Amounts owed by group undertakings	168,205	107,190
Prepayments and accrued income	321	892
	<u>439,279</u>	<u>311,157</u>

All amounts shown under debtors fall due for payment within one year.

12 Creditors: amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts (secured)	64,899	54,480
Trade creditors	16,822	29,123
Corporation tax	11,000	8,000
Other taxation and social security	4,887	7,655
Other creditors	338,834	160,249
Accruals and deferred income	5,572	16,953
	<u>442,014</u>	<u>276,460</u>

The bank overdraft is secured by means of fixed and floating charges over the assets of the company.

13 Share capital

	2002 £	Authorised 2001 £	Allotted, called up and fully paid 2002 £	2001 £
<i>Equity share capital</i>				
Ordinary shares of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Relocate UK Limited

Notes forming part of the financial statements for the year ended 31 March 2002 (Continued)

14 Contingent liabilities

Guarantees and cross-guarantees exist between Relocate UK Limited and other group undertakings in respect of bank loans and overdrafts advanced and certain finance lease agreements. As at 31 March 2002 the balances owed by relevant group undertakings were as follows:

	£
Leaders Group Limited	780,127
Leaders Limited	513,882
	<hr/>

15 Related party disclosures

Transactions and balances with other entities that are part of the group headed by Leaders Group Limited are not disclosed, as permitted by FRS 8 "Related Party Disclosures", as the financial statements of Leaders Group Limited are publicly available.

16 Parent company

Leaders Group Limited, a company incorporated in England, is the parent company. Leaders Group Limited's principal shareholders are set out in its own financial statements.