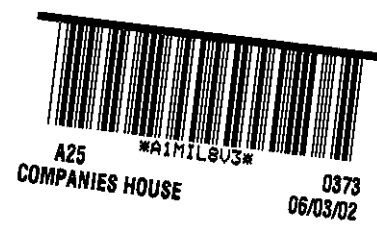


Company No: 03437642

REPORT AND FINANCIAL STATEMENTS

28 September 2001

VALENTINE COURT MANAGEMENT LIMITED



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DIRECTORS AND OFFICER

DIRECTORS

R C Grayson
H D Myland
H Phillips

SECRETARY

R C Grayson

REGISTERED OFFICE

The Gables
Woodhurst Lane
Oxted
Surrey
RH8 9HD

REPORT OF THE DIRECTORS

The Directors submit their Report and the Accounts for the year ended 28 September 2001

RESULTS AND DIVIDENDS

The results of the Company for the year under review are set out in detail on page 3.

The Company does not pay dividends.

PRINCIPAL ACTIVITIES

The principal activity of the Company is the management and maintenance of residential property.

DIRECTORS

The Directors who served during the period and their beneficial and family interests at the end of the period in the shares of the Company were:

Ordinary Shares at 28 September 2001

R C Grayson	500
H D Myland	500
H Phillips	500

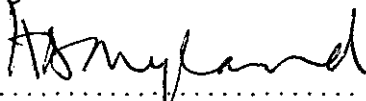
TAXATION STATUS

In the opinion of the Directors the Company is not a close company for taxation purposes.

EXEMPTIONS

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

Approved by the Board of Directors
and signed on behalf of the Board


..... Director

..... 21 December 2001. Date

PROFIT AND LOSS ACCOUNT
for the year ended 28 September 2001

2000 £	Note	2001 £
11,384	1(b)	10,530
11,377	7	10,324
<hr/>		
7	SURPLUS / (DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION	206
(55)	Tax (Tax Refund) on Surplus on ordinary activities	48
62	SURPLUS FOR YEAR TRANSFERRED TO RESERVES	158

STATEMENT OF MOVEMENTS ON RESERVES
for the year ended 28 September 2001

RETAINED SURPLUS	£
366 Balance brought forward	428
62 Retained Surplus for period	158
<hr/>	
428 Balance at 28 September	586
<hr/>	
RESERVE FUND	
- Balance brought forward	4,300
1,540 Received from Lessees	1,080
2,700 Settlement of claim on Developer	-
60 Building Society interest	140
<hr/>	
- Less: Painting costs	5,520
	5,100
<hr/>	
4,300 Balance at 28 September	420

RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than those shown above.

The Notes on Page 5 form an integral part of this Account

BALANCE SHEET 28 September 2001

2000 £	Note	2001 £
FIXED ASSETS		
4,500	Interest in Freehold Property	4,500
CURRENT ASSETS		
1,320	Bank Balance	2,017
4,666	Building Society	1,341
1,035	Debtors and Prepayments 4	291
-----		-----
7,021		3,649
2,293	LESS: CREDITORS: amounts falling due within one year 5	2,643
-----		-----
4,728		1,006
9,228	TOTAL ASSETS LESS CURRENT LIABILITIES	5,506
=====		=====
CAPITAL AND RESERVES		
4,500	Called up share capital 6	4,500
428	Profit and Loss Account	586
4,300	Reserve Fund 7	420
-----		-----
9,228	SHAREHOLDERS' FUNDS - EQUITY INTERESTS	5,506
=====		=====

The Notes on page 5 form an integral part of this Statement.

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The Directors have taken advantage of the exemption conferred by Section 249A(1) of the Companies Act 1985 not to have these Accounts audited and confirm that no notice has been deposited under Section 249B(2) of the Act in relation to the Accounts for this financial period.

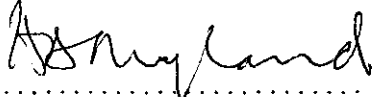
The Directors acknowledge their responsibility for ensuring that:

- (i) the Company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
- (ii) the Accounts give a true and fair view of the state of affairs of the Company as at 28 September 2001 and of its surplus for the period then ended in accordance with the requirements of Section 226 and otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the Company.

The Accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The above Accounts were approved by the Board of Directors on 21 December 2001

Signed on behalf of the Board of Directors



Director

..... 21 December 2001..... Date

NOTES TO THE ACCOUNTS 28 September 2001

1. ACCOUNTING POLICIES

These Accounts have been prepared in accordance with applicable accounting standards issued by UK Accountancy Bodies. The particular accounting policies adopted are described below:

(a) Accounting convention: the financial statements have been prepared in accordance with the historical cost convention.

(b) Turnover: this comprises agreed contributions from Lessees towards the running costs of the property.

2. EMPLOYEES

The Company has no employees.

3. TAX ON ORDINARY ACTIVITIES

The purpose of the Company is to defray the cost of managing and maintaining the property making neither profit nor loss; any surplus is set against future contributions. Under Section 42 of the Landlord and Tenant Act 1987 Lessees' contributions for maintenance and the reserve fund are paid into a trust fund, and investment income is chargeable to tax at the 34% rate applicable to trusts. The provision for Corporation Tax made in the 1998-99 Accounts is no longer required.

	2001	2000
	£	£
Corporation tax	-	(75)
Trust income tax	48	20

4. DEBTORS AND PREPAYMENTS

Amounts due from Lessees:	-	-
Other items	96	145
Prepayments	195	890
	<hr/> 291	<hr/> 1,035

5. CREDITORS: amounts falling due within one year

Creditors and accruals	996	903
Maintenance contributions in advance	1,647	1,390
	<hr/> 2,643	<hr/> 2,293

6. SHARE CAPITAL

Authorised: 4,500 ordinary shares of £1	4,500	4,500
Issued: 4,500 ordinary shares of £1	4,500	4,500

7. RESERVE FUND

Lessees' contributions commenced in 1999-00 and have been credited to the Fund. Claims on the Developer for recovery of professional fees and security costs totalling £3,152, and £1,156 in respect of unpaid debts, were made in earlier years. In an out-of Court settlement the Developer refunded £2,700, credited to the Reserve Fund. Unrecovered sums were charged in the 1999-2000 Profit & Loss Account. Exterior and interior redecoration carried out in 2001 was charged to the Reserve Fund.

