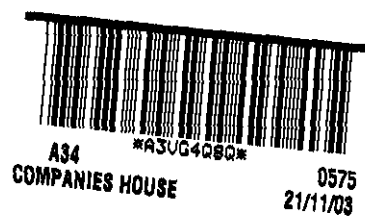


MBR INVESTMENTS LIMITED

**FINANCIAL ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2003**

COMPANY NO: 03688340



MBR INVESTMENTS LIMITED

DIRECTORS

Mrs TA Levett

SECRETARY

MJS Willson

REGISTERED OFFICE

765 London Road
Westcliff on Sea
Essex SS0 9SU

ACCOUNTANTS

MJS Willson & Co Ltd
765 London Road
Westcliff on Sea
Essex SS0 9SU

MBR INVESTMENTS LIMITED

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2003**

INDEX

1	Report of the Director
2	Statement of Director's Responsibilities
3	Profit and Loss Account
4	Balance Sheet
5	Notes to the Accounts

The following page does not form part of the statutory accounts :

6	Detailed Trading and Profit and Loss Account
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REPORT OF THE DIRECTOR

The Director submits her Report and Accounts for the year ended 31 March 2003.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was that of property investment and letting of residential premises.

RESULTS AND DIVIDENDS

The profit of the company for the year was £15,444 (2002 - £58,301 profit). The director recommends that this be added to the retained earnings at the beginning of the year and that the balance of £99,809 be carried forward.

DIRECTORS

The directors who served during the year and the beneficial and family interests of those serving at the end of the year in the shares and debentures of the company were as follows:

	Ordinary Shares of £1 each	
	31.3.03	31.3.02
Mrs TA Levett	2	2

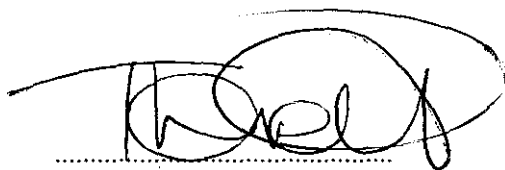
FIXED ASSETS

Changes in fixed assets during the year are set out in note 5 to the accounts.

TAXATION STATUS

In the opinion of the director, the company is a close company within the meaning of the Income and Corporation Taxes Act 1970 (as amended).

By Order of the Board



Mrs TA Levett – Director

11 November 2003

STATEMENT OF THE DIRECTOR'S RESPONSIBILITIES

I am under Company Law 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 period. In preparing these financial statements, I am required to :-

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statement;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

I am also responsible for:-

- keeping proper accounting records;
- safeguarding the Company's assets;
- taking reasonable steps for the prevention and detection of fraud.

Signed on behalf of the Board

A handwritten signature in black ink, appearing to be 'TA Levett', written over a horizontal line.

Mrs TA Levett - Director

11 November 2003

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003**

	Note	2003	2002
TURNOVER		54617	53836
Cost of Sales		-	-
		<hr/>	<hr/>
GROSS PROFIT		54617	53836
Administrative Expenses		28754	25624
		<hr/>	<hr/>
OPERATING PROFIT		25863	28212
Interest payable	3	8654	11081
		<hr/>	<hr/>
Other Income	4	17209	17131
		<u>28</u>	<u>55416</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	17237	72547
Tax on Profit on Ordinary Activities	5	1793	14246
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		15444	58301
Dividends Paid		-	-
		<hr/>	<hr/>
		<u>15444</u>	<u>58301</u>
		<hr/>	<hr/>
STATEMENT OF RETAINED PROFITS/(LOSS)			
Retained Profit for the Year		15444	58301
Retained Profit brought forward		84365	26064
		<hr/>	<hr/>
Retained Profit carried forward		99809	84365
		<hr/>	<hr/>

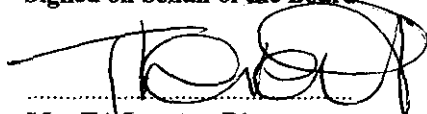
The notes on pages 5a to 5c form part of these accounts

BALANCE SHEET - as at - 31 MARCH 2003

	Notes	2003	2002
FIXED ASSETS			
Tangible Assets	6	652512	652805
CURRENT ASSETS			
Investments		112512	112512
Debtors	7	2752	450
Cash at Bank and in Hand		<u>5128</u>	<u>13650</u>
		120392	126612
CREDITORS - Amounts falling due within one year			
Sundry Creditors	8	<u>33811</u>	<u>53952</u>
Net Current Assets		86581	72660
TOTAL ASSETS Less Current Liabilities		739093	725465
CREDITORS - Amounts falling due after more than one year			
	9	111996	130330
		627097	595135
CAPITAL AND RESERVE			
Called up Share Capital	10	2	2
Reserves			
Profit and Loss Account		99809	84365
Shareholders' Loans	11	<u>527286</u>	<u>510768</u>
		627097	595135

The directors consider that the company is entitled to exemption from the requirements to have an audit under the provisions of Section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the nominal value of the company's issued share capital have not issued a notice requiring an audit. The Directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 for preparing accounts which give a true and fair view of the state of affairs of the Company as at 31 March 2002 and of its profit for the year then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the Company.

Signed on behalf of the Board



Mrs TA Levett - Director

11 November 2003

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2003**

1. ACCOUNTING POLICIES

a) Convention

These financial statements have been prepared in accordance with the historical cost convention.

b) Turnover

Turnover is the amount derived from the provision of goods and services falling within the company's ordinary activities after deduction of trade discounts and Value Added Tax.

c) Tangible Fixed Assets and Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated on the written down value of the assets at the following rates :

Office Equipment – 25% per annum on reducing balance

d) Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the period.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2003**

	2003	2002	
2. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION			
Profit on Ordinary Activities before taxation is arrived at after charging:			
Amounts written off tangible assets	<u>623</u>	<u>724</u>	
Audit and Accountancy	<u>2291</u>	<u>2115</u>	
3. INTEREST PAYABLE			
Bank Loan Interest	<u>8654</u>	<u>11081</u>	
4. OTHER INCOME			
Bank Interest	28	741	
Profit on Sale of Shares	<u>-</u>	<u>54675</u>	
	<u>28</u>	<u>55416</u>	
5. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES			
Taxation is based on the Profit/(Loss) for the Year	<u>1793</u>	<u>14246</u>	
6. TANGIBLE ASSETS			
	<u>Office Equipment</u>	<u>Freehold Property</u>	<u>Total</u>
Cost or Valuation			
At 1 April 2002	3918	650535	654453
Additions	<u>330</u>	<u>-</u>	<u>330</u>
At 31 March 2003	<u>4248</u>	<u>650535</u>	<u>654783</u>
Depreciation			
At 1 April 2002	1648	-	1648
Charge for Year	<u>623</u>	<u>-</u>	<u>623</u>
At 31 March 2003	<u>2271</u>	<u>-</u>	<u>2271</u>
Net Book Value			
At 31 March 2003	<u>1977</u>	<u>650535</u>	<u>652512</u>
At 31 March 2002	<u>2270</u>	<u>650535</u>	<u>652805</u>

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 MARCH 2003**

	2003	2002
7. DEBTORS		
Trade Debtors	716	
Other Debtors and Prepayments	<u>2036</u>	<u>450</u>
	<u>2752</u>	<u>450</u>
8. SUNDRY CREDITORS		
Trade Creditors	307	805
Bank Loans	21215	29100
Other Creditors	-	-
Taxation and Social Security Costs	-	-
Corporation Tax	1793	14246
Accruals and deferred income	<u>10496</u>	<u>9801</u>
	<u>33811</u>	<u>53952</u>
9. CREDITORS		
Amounts falling due after more than one year:		
Bank Loans	<u>111996</u>	<u>130330</u>
10. SHARE CAPITAL		
Authorised, Issued and Fully paid	<u>2</u>	<u>2</u>
11. SHAREHOLDERS' LOAN		
Shareholders' Loans are interest free and with no fixed repayment dates.		