

Annington Rentals (Holdings) Limited
(Registered Number: 3818321)

Report and Accounts
For the Year Ended 31 March 2003



Annington Rentals (Holdings) Limited

Directors' Report For The Year Ended 31 March 2003

The Directors present their report and the audited accounts of the company for the year ended 31 March 2003.

The principal purpose of the company is that of a holding company.

Results and dividends

The company has not traded during the year ended 31 March 2003 and has received no income and incurred no expenditure. Consequently, during the year the company has neither made a profit nor a loss (2002: nil).

No dividend has been paid or proposed (2002: £nil).

Directors and their interests

The directors who held office during the period are given below:

J.A. Dunstan (resigned 4 December 2002)

M Fresson

C.M. Rowlinson (appointed 4 December 2002)

The directors had no interests in the shares of the company or any other company within Le Grand Annington Limited group.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Annington Rentals (Holdings) Limited

Directors' Report For The Year 31 March 2003

Auditors

Following the conversion of our auditors, PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 10 March 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By Order of the Board



J.B. Chambers

Secretary

4 September 2003

Independent Auditors' Report To The Members of Annington Rentals (Holdings) Limited

We have audited the financial statements on pages 4 to 8 which have been prepared in accordance with the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 1.

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

This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

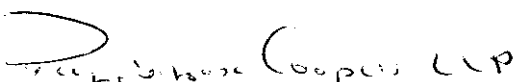
Basis of opinion

We conducted our audit in accordance with 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.

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 2003 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants
& Registered Auditors
London

4 September 2003

Annington Rentals (Holdings) Limited

Profit & Loss Account For The Year Ended 31 March 2003

| | Note | 2003 £ | 2002 £ |
|---|------|-----------|-----------|
| Turnover | | - | - |
| Administration expenses | | - | - |
| Operating profit | 2 | - | - |
| Interest payable and similar charges | | - | - |
| Interest receivable and similar charges | | - | - |
| Profit on ordinary activities before taxation | | - | - |
| Tax on profit on ordinary activities | | - | - |
| Profit for the year | | - | - |
| Dividends | | - | - |
| Retained profit for the year | | - | - |

Although the company did not trade during the year, no operations were discontinued.

Statement Of Total Recognised Gains And Losses For The Year Ended 31 March 2003

There are no recognised gains or losses for the year.

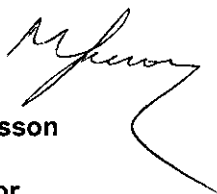
The notes on pages 6 to 8 form part of these accounts.

Annington Rentals (Holdings) Limited

Balance Sheet as at 31 March 2003

| | Note | 31 March 2003 £ | 31 March 2002 £ |
|--|------|--------------------|--------------------|
| Current assets | | | |
| Debtors due within one year | | 65 | 32 |
| Cash at Bank | | 935 | 968 |
| Investment | 3 | - | - |
| Total assets less current liabilities | | 1,000 | 1,000 |
| Capital and reserves: | | | |
| Called up share capital | 4 | - | - |
| Warrants | 5 | 1,000 | 1,000 |
| Total equity shareholders' funds | 6 | 1,000 | 1,000 |

Approved By The Board On 4 September 2003



M. Fresson

Director

The notes on pages 6 to 8 form part of these accounts.

Annington Rentals (Holdings) Limited

Notes To The Accounts For Year Ended 31 March 2003

1 Accounting policies

These financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

Investments In Group Undertakings

The company's investments in the shares of group undertakings are stated at net asset value, surpluses and deficits arising from the valuation are taken to the revaluation reserve.

2 Operating Profit

| | 2003 £ | 2002 £ |
|---|-----------|-----------|
| Operating profit is stated after charging | | |
| Auditors' remuneration | | |
| Audit Services | - | - |

3 Investment in group undertaking

| | 2003 £ | 2002 £ |
|---------------------|-----------|-----------|
| Addition | - | - |
| Disposal | - | - |
| As at 31 March 2003 | - | - |

The principal undertaking at 31 March 2003 which is wholly owned and included in the consolidated financial statements is shown below:

| Name of Subsidiary Undertaking | Country of Registration | Principal Activity |
|--------------------------------|-------------------------|---------------------|
| Annington Rentals Limited | England & Wales | Property Investment |

4 Called up share capital

| | 2003 £ | 2002 £ |
|---|-----------|-----------|
| Authorised | 1,000 | 1,000 |
| Allotted and nil paid | | |
| 1 Ordinary shares of 1p each – nil paid | - | - |
| | - | - |

Annington Rentals (Holdings) Limited

Notes To The Accounts For Year Ended 31 March 2003

5 Warrants

| | 2003 £ | 2002 £ |
|--|-----------|-----------|
| Allotted and fully paid (99,999 warrants issued) | 1,000 | 1,000 |
| | 1,000 | 1,000 |

There are 99,999 warrants in force in relation to the company's shares, exercisable at a strike price of £0.01 per warrant. The warrants are for cash settlement only and upon exercise of the warrants, the cash settlement amount of a warrant shall be the price which is in excess (if any) of the open market value of an ordinary share over the cost to the subscriber at par for the ordinary share over which the warrant is being exercised.

The warrants were issued to Nomura International plc in a prior period and on 27 March 2002, Nomura International plc transferred the rights under these warrants to Nomura Investments (AH) Limited, a wholly owned subsidiary of Nomura International plc.

6 Reconciliation of movements in shareholders' funds

| | 2003 £ | 2002 £ |
|--|-----------|-----------|
| Proceeds of issue of warrants | - | - |
| Net change in shareholders' funds | - | - |
| Shareholders' funds brought forward | 1,000 | 1,000 |
| Shareholders' funds carried forward | 1,000 | 1,000 |

7 Employees

The company had no employees during the year. (2002: nil).

8 Directors' emoluments

The directors receive no emoluments for their services to the company.

9 Cash flow statement exemption

The company is a small company as defined under Section 47 of the Companies Act 1985. The company has therefore elected to make use of the exemption provided in Financial Reporting Standard 1 (revised 1996) "Cash Flow Statements" not to produce its own cash flow statement.

Annington Rentals (Holdings) Limited

Notes To The Accounts For Year Ended 31 March 2003

10 Other related party transactions

The company is a wholly owned subsidiary of Le Grand Annington Limited and has taken advantage of the exemption provided in paragraph 3(c) of Financial Reporting Standard 8 "Related Party Disclosures" not to make disclosure of transactions with other entities that are part of the group.

11 Parent company

Le Grand Annington Limited which is registered in England and Wales is the ultimate parent of the company.

Consolidated financial statements for the period ended 31 March 2003 for Le Grand Annington Limited can be obtained from the Company Secretary, 1 James Street, London W1U 1DR.