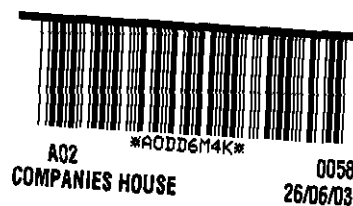


Company Registration No. 03863230 (England and Wales)

SILVERTOWN QUAYS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002



SILVERTOWN QUAYS LIMITED

COMPANY INFORMATION

Directors

J L Jacobs
M E Pearse
D W Taylor

Secretary

Z Milne

Company number

03863230

Registered office

58 Acacia Road
St Johns Wood
London
NW8 6AG

Accountants

Numerica Business Services Ltd
66 Wigmore Street
London
W1U 2HQ

SILVERTOWN QUAYS LIMITED

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SILVERTOWN QUAYS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2002

The directors present their report and financial statements for the year ended 30 June 2002.

Principal activities

The company's principal activity is property development and trading. During the year the company was selected by the London Development Agency as its preferred development partner to carry out a regeneration development project at Silvertown in the London Borough of Newham, involving the acquisition of the land from the Agency, converting existing buildings into apartments for sale and undertaking new development on the land. The company continued to negotiate the terms of a development agreement with the Agency which has subsequently been signed.

Directors

The following directors have held office since 1 July 2001:

J L Jacobs
M E Pearse
D W Taylor

Directors' interests

Each of the directors held a beneficial interest in 33.33% of the share capital of the company throughout the period.

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

On behalf of the board



J L Jacobs

Director 13/6/03.

SILVERTOWN QUAYS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2002

	Notes	2002 £	2001 £
Administrative expenses		(1,750)	-
	
Loss on ordinary activities before taxation		(1,750)	-
Tax on loss on ordinary activities	2	-	-
	
Loss on ordinary activities after taxation	6	(1,750)	-
	

SILVERTOWN QUAYS LIMITED

BALANCE SHEET AS AT 30 JUNE 2002

	Notes	2002 £	£	2001 £	£
Current assets					
Debtors	3	2		2	
Creditors: amounts falling due within one year	4	(1,750)		-	
		
Total assets less current liabilities			(1,748)		2
		
Capital and reserves					
Called up share capital	5		2		2
Profit and loss account	6		(1,750)		-
		
Shareholders' funds			(1,748)		2
		

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 13/6/03.



J.L. Jacobs
Director

SILVERTOWN QUAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

2 Taxation

Current tax charge

.....
-	-
.....

3 Debtors

Other debtors

2002	2001
£	£
2	2
.....

4 Creditors: amounts falling due within one year

Other creditors

2002	2001
£	£
1,750	-
.....

5 Share capital

Authorised

1,000 Ordinary shares of £ 1 each

2002	2001
£	£
1,000	1,000
.....

Allotted, called up and fully paid

2 Ordinary shares of £ 1 each

2	2
.....

6 Statement of movements on profit and loss account

Retained loss for the year

Profit and loss account £
(1,750)
.....

7 Contingent liabilities

Suppliers have incurred expenditure relating to project development work relevant to the company. The company has agreed to reimburse these costs once funding for the project is obtained. The estimated contingent liability in this respect at the balance sheet date was £1,846,000.

SILVERTOWN QUAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

8 Related party transactions

The project development costs referred to in note 7 include amounts incurred by London & Southern Limited which is a related party by virtue of the interests of J L Jacobs, M E Pearce and D W Taylor; £207,100 of this amount relates to charges for time spent by the three directors.

9 Post balance sheet events

Since the balance sheet date the company has signed a development agreement with the London Development Agency in connection with a regeneration development project at Silvertown in the London Borough of Newham.