

CMR Title 1 Limited

(Registered Number: 4050061)

**Directors' Report and Accounts
For period ended 31 March 2003**



CMR Title 1 Limited

Company Information

Directors

City Mortgage Holdings Limited

Company Secretary

Hammonds Secretarial Services Limited
Rutland House
148 Edmund Street
Birmingham
West Midlands
B3 2JR

Registered Office

Malvern House
Hatters Lane
Croxley Business Park
Watford
WD18 8YF

Company Auditors

BDO Stoy Hayward
8 Baker Street
London
W1U 3LL

CMR Title 1 Limited

Directors' Report Period Ended 31 March 2003

The directors present their report and the audited financial statements for the period ended 31 March 2003.

Principal Activity and Review of Business

As the company has not traded during the period no profit and loss account has been prepared. All administration expenses have been met by the parent company. The company has no employees.

The company, together with its fellow subsidiary, CMR Title 2 Limited are the sole members of Ocwen. Ocwen is an unlimited company that holds legal title to the loans securitised within the group but otherwise does not trade.

Directors

The names of the directors who served during the year are shown below.

Appointments and resignations during the period and up to the date of this report are:

Appointed

Resigned

City Mortgage Holdings Limited

Directors' Interests

City Mortgage Holdings Limited owns all of the issued share capital of the company.

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

CMR Title 1 Limited

Directors' Report Year Ended 31 March 2003

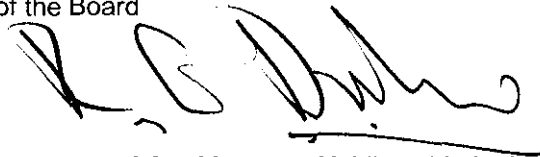
Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial period that 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;
- 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

By order of the Board

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

R Baker – Director of City Mortgage Holdings Limited
On behalf of
City Mortgage Holdings Limited
Director

Date 24/09/2003

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CMR TITLE 1 LIMITED

We have audited the financial statements of CMR Title 1 Limited for the year ended 31 March 2003 on pages 6 and 7 which have been prepared under the historical cost convention and 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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

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 circumstances of the company, 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CMR TITLE 1
LIMITED (CONTINUED)**

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 March 2003 and have been properly prepared in accordance with the Companies Act 1985.

BDO Stoy Hayward
*Chartered Accountants
and Registered Auditors*
8 Baker Street
London
W1U 3LL



Date 30 Sep, 2003

CMR Title 1 Limited

Balance Sheet As at 31 March 2003


		2003	2002
	Note	£	£
Investments	2	-	-
Current assets			
Amounts due from parent undertaking		1	1
Net assets		1	1
Capital and reserves			
Called up share capital	3	1	1
Shareholders' funds – equity interests		1	1

The company was dormant within the meaning of section 249AA of the Companies Act 1985, throughout the financial year.

The company did not trade during the current year and accordingly no profit and loss account has been prepared. The company made neither a profit nor a loss nor had any other recognised gains or loss.

These financial statements were approved by the Board of Directors on 24/09/2003.

Signed on behalf of the Board of Directors



R Baker – Director of City Mortgage Holdings Limited
On behalf of
City Mortgage Holdings Limited
Director

CMR Title 1 Limited

Notes to the Accounts Year Ended 31 March 2003

1. Accounting Policies

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Related Party Transactions

City Mortgage Holdings Limited, a company incorporated in England, is the ultimate controlling party. Therefore the company has taken advantage of the exemption within Financial Reporting Standard 8, which permits the non-disclosure of transactions and balances with related parties, which are included in the consolidated financial statements of City Mortgage Holdings Limited.

Cash Flow

A cash flow statement is not required as City Mortgage Holdings Limited, the company's ultimate parent undertaking, includes a consolidated cash flow statement in its published financial statements for the period ended 31 March 2003.

2. Investments

The company, together with its fellow subsidiary, CMR Title 2 Limited are joint members of Ocwen, an unlimited company that holds legal title to the loans in the group but otherwise does not trade.

3. Share Capital

The company has authorised share capital of 100 £1 ordinary shares of which one has been allotted and issued at par.

4. Majority Shareholder

The company's immediate parent is City Mortgage Holdings Limited, a company incorporated in the United Kingdom.

The consolidated results of City Mortgage Holdings Limited consolidate the results of the company. Copies of City Mortgage Holdings Limited's accounts are available from:

The Company Secretary
City Mortgage Holdings Limited
Malvern House
Croxley Business Park
Watford
WD18 8YF.