

GUNWHARF QUAYS MANAGEMENT LIMITED
(Registered Number - 4056213)

Directors' Report and Financial Statements

For the Year ended 31st March 2002



GUNWHARF QUAYS MANAGEMENT LIMITED
(Registered Number - 4056213)

INDEX

	<u>Page</u>
Directors' Report	1 - 2
Auditors' Report	3
Profit and Loss Account	4
Balance Sheet	5
Notes to the Financial Statements	6 - 8

GUNWHARF QUAYS MANAGEMENT LIMITED

Directors' Report for the Year Ended 31 March 2002

The Directors submit their report together with the audited financial statements for the year ended 31st March 2002.

Principal activities

The Company's principal activity during the year was that of Managing Agents of Gunwharf Quays, a mixed use retail and leisure destination, acting as agents for Gunwharf Quays G P Limited and the Gunwharf Quays Limited Partnership.

Review of business and future developments

The Company was incorporated on 21st August 2000 and commenced business activities on 28th February 2001. These results reflect the first full year of operations. No changes in the business are expected in the foreseeable future.

Results and dividends

The Company made no profit or loss for the year ended 31st March 2002 (2001 : £nil). The Directors do not propose a dividend for this year (2001: £nil).

Directors and their interests

The Directors who held office during the year and up to the date of this report were:

	<u>Appointed</u>	<u>Resigned</u>
R S J H Lewis	07/12/2000	05/07/2001
R G Tincknell	07/12/2000	12/04/2002
K Redshaw	07/12/2000	17/01/2002
R J Akers	07/12/2000	
P G Cottingham	17/01/2002	
A C Lewis	05/07/2001	
M N Davidson	17/01/2002	
W R Marshall	17/01/2002	
D J Owen-Ellis Clark	17/01/2002	
J T Skinner	12/04/2002	

None of the Directors had an interest in the share capital of the Company at 31 March 2002.

GUNWHARF QUAYS MANAGEMENT LIMITED

Directors' Report for the Year Ended 31 March 2002 (Continued)

Statement of Directors' Responsibilities

Company law requires the Directors 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 those financial statements, the Directors are required to:

- * Select suitable accounting policies and then apply 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 confirmed that they have complied with the above requirements in preparing the financial statements.

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.

Auditors

PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution proposing their reappointment as auditors to the Company will be proposed at the forthcoming Annual General Meeting.

By Order of the Board



Claire Puttergill

Secretary

Date: 9/4/2003

Independent Auditors' Report to the Members of Gunwharf Quays Management Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

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.

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 in to 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 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 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. The other information comprises only the Directors' report.

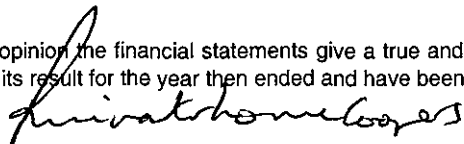
Basis of audit opinion

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 at 31 March 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers

Chartered Accountants and Registered Auditors

1 Embankment Place

London

WC2N 6RH

Date:

9/4/03

GUNWHARF QUAYS MANAGEMENT LIMITED

Profit and Loss Account for the Year Ended 31 March 2002

	<i>Note</i>	2002 £	2001 £
Turnover	1	3,693,203	267,812
Administrative Expenses		(3,693,203)	(267,812)
Operating profit	3	-	-
Profit on ordinary activities before taxation		-	-
Taxation on profit on ordinary activities		-	-
Profit / (Loss) for the financial year	8	-	-

There were no recognised gains or losses during the year other than those reflected in the above profit and loss account, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the results on ordinary activities before taxation and the retained results for this year stated above and their historical cost equivalents.

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

GUNWHARF QUAYS MANAGEMENT LIMITED

Balance Sheet as at 31 March 2002

	Note	2002 £	2001 £
Current assets			
Debtors	5	1,404,303	722,069
Cash at bank and in hand		3,070,806	588,367
		4,475,109	1,310,436
Creditors - amounts falling due within one year	6	(4,475,108)	(1,310,435)
Net current assets		1	1
Total assets less current liabilities		1	1
Net assets		1	1
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account	8	-	-
Total Equity Shareholders' Funds	8	1	1

The financial statements on pages 4 to 8 were approved by the Board of Directors on

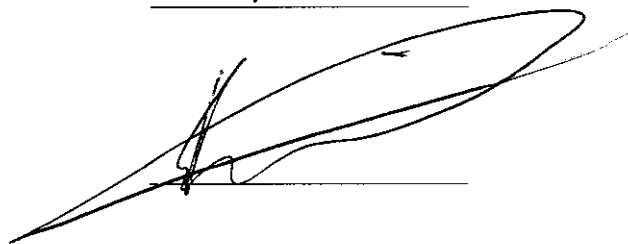
9 APRIL

2003 and were signed on their behalf by:

Director - A Lewis



Director - P Cottingham



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

GUNWHARF QUAYS MANAGEMENT LIMITED

Notes to the Financial Statements at 31 March 2002

1 Accounting policies

The principal accounting policies of the Company are:

a Basis of accounting

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

b Turnover

Turnover represents the contributions to the centre marketing costs and the annual service charge, the supply of rent collection services and supply of adhoc management services excluding value added tax.

2 Cashflow Statement

The Company is exempt under the provisions of FRS1 (Revised 1996) from preparing a cashflow statement as it qualifies as a small company.

The Company is exempt under the provisions of FRS8 from disclosing transactions with group companies as its results are consolidated in the financial statements of its parent company, Gunwharf Quays G P Limited, which are publicly available.

3 Operating profit

Operating profit is stated after charging:

	<u>2002</u>	<u>2001</u>
	£	£
Auditors' remuneration	5,000	5,000
Staff costs (see note 4)	916,346	61,466

Auditors' remuneration includes the audit fees for Gunwharf Quays G P Limited.

GUNWHARF QUAYS MANAGEMENT LIMITED

Notes to the Financial Statements at 31 March 2002

4 Staff costs

Total staff costs of £916,346 (2001: £61,466) are included in administrative expenses for the year ended 31st March 2002. The costs in 2001 represent the cost of staff recharged by Gunwharf Quays GP Limited, the parent company. The average number of staff employed during the year was 40 (2001: 31).

The total cost of Directors' emoluments in the year was £168,366 (2001: £nil). The emoluments of the highest paid Director during the year was £66,123 (2001: £nil).

5 Debtors - amounts falling due within one year

	<u>2002</u>	<u>2001</u>
	£	£
Trade debtors	722,536	597,331
Other debtors	504,297	84,072
Prepayments and accrued income	177,470	40,666
	<u>1,404,303</u>	<u>722,069</u>

6 Creditors - amounts falling due within one year

	<u>2002</u>	<u>2001</u>
	£	£
Trade creditors	38,814	78,675
Other creditors	139,900	-
Amounts due to connected companies	2,541,902	499,858
Taxation and social security	271,332	85,544
Accruals and deferred income	1,483,160	646,358
	<u>4,475,108</u>	<u>1,310,435</u>

7 Called up share capital

	<u>2002</u>	<u>2001</u>
	£	£
Authorised		
Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Allotted, issued and fully paid		
Ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

GUNWHARF QUAYS MANAGEMENT LIMITED

Notes to the Financial Statements at 31 March 2002

8 Reconciliation of movements in shareholders' funds

	<u>2002</u>	<u>2001</u>
	£	£
Profit for the period	-	-
Ordinary share capital issued on incorporation	-	1
Net additions to shareholders' funds	<u>-</u>	<u>1</u>
Opening shareholders' funds	1	-
Closing shareholders' funds	<u>1</u>	<u>1</u>

9 Capital commitments

The company had no capital expenditure commitments authorised but not provided for at the balance sheet date.

10 Ultimate controlling party

The Company is a fully owned subsidiary of Gunwharf Quays G P Limited, registered in England and Wales, Number 4056210 its immediate parent undertaking and ultimate controlling party. Copies of the Gunwharf Quays GP Limited consolidated financial statements can be obtained from:

The Secretary,
Gunwharf Quays G P Limited
Berkeley House
19 Portsmouth Road
Cobham
Surrey
KT11 1JG