

PARTNERS FOR IMPROVEMENT IN CAMDEN LIMITED

Registered No. 4200933

Directors' Report and Accounts

31 December 2003

The Directors present their annual report and the audited accounts for the year ended 31 December 2003. This report should be read in conjunction with the statements on page 4 of these accounts.

Principal Activities and Business Review

During the year and the preceding year the Company did not trade. The Directors do not recommend the payment of a dividend (2002: £nil).

Directors and Directors' Interests

The Directors of the Company during the year were as follows:

Mr J W Adams

Mr A S Mickleburgh

The Directors of the Company have no interests in the shares of the Company. Mr Adams is also a Director of United House Group Limited, the Company's ultimate parent undertaking. His interests in the shares of that Company are disclosed in the accounts of that Company as appropriate.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the reappointment of KPMG LLP as auditors of the Company is to be proposed at the forthcoming annual general meeting.

By order of the Board



E Driver
Company Secretary

12 August 2004

United House
Goldsel Road
Swanley
Kent BR8 8EX



PARTNERS FOR IMPROVEMENT IN CAMDEN LIMITED

Statement of Directors' Responsibilities

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and the profit or loss for that period. In preparing those accounts the Directors are required to:

- select suitable accounting policies and 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 accounts;
- prepare accounts 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 accounts comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

PARTNERS FOR IMPROVEMENT IN CAMDEN LIMITED

Report of the independent auditors to the members of Partners for Improvement in Camden Limited

We have audited the financial statements on page 4.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

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

KPMG LLP

**KPMG LLP
Chartered Accountants
Registered Auditor**

12 August 2004

**1 Forest Gate
Brighton Road
Crawley
RH11 9PT**

PARTNERS FOR IMPROVEMENT IN CAMDEN LIMITED

Balance Sheet At 31 December 2003

	<i>Note</i>	2003 £	2002 £
Current Assets			
Debtors – amount owed by immediate parent undertaking		<u>1</u>	<u>1</u>
Capital and Reserves – Equity Shareholders' Funds			
Called up share capital	3	<u>1</u>	<u>1</u>

Profit And Loss Account

During the year and the preceding year the Company did not trade and received no income and incurred no expenditure. Consequently, during the year the Company made neither a profit or loss with no recognised gains and losses.

These accounts were approved by the Board of Directors on 12 August 2004.


J W Adams, Director

The notes below form part of these accounts.

Notes to the Accounts

1. Principal accounting policy

The following accounting policy has been applied consistently in dealing with items which are considered material in relation to the Company's accounts:

Basis of accounting

The accounts have been prepared, on the going concern basis, in accordance with applicable accounting standards and under the historical cost convention.

2. Emoluments of the Directors

No Director received any emolument from the Company during the year (2002: £nil). The Company has no employees other than the Directors (2002: nil).

3. Share capital

	2003 £	2002 £
Authorised: 1,000 Ordinary Shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid: 1 Ordinary Share of £1 each	<u>1</u>	<u>1</u>

4. Ultimate parent undertaking

The Company is a direct subsidiary undertaking of United House Limited, which is registered in England and Wales. The Company's ultimate parent undertaking is United House Group Limited, registered in England and Wales.

5. Related parties

As the Company is a wholly owned subsidiary of United House Group Limited and 100% of the Company's voting rights are controlled within the group headed by United House Group Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of United House Group Limited, within which this Company is included, can be obtained from the address given on page 1.