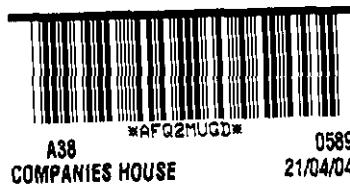


Company Registration No. 04623053 (England and Wales)

WHITESTONE ESTATES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2003



WHITESTONE ESTATES LIMITED

COMPANY INFORMATION

Directors

SMM Byrne
W Calvert
S Oliver

Secretary

SMM Byrne

Company number

04623053

Registered office

Whitestone House
Whitestone Business Park
Saltwells Road
Middlesbrough
TS4 2ED

Accountants

Chipchase Nelson
9 Kensington
Cockton Hill Road
Bishop Auckland
County Durham
DL14 6HX

WHITESTONE ESTATES LIMITED

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WHITESTONE ESTATES LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2003

The directors present their report and financial statements for the period ended 30 June 2003.

Incorporation

The company was incorporated on 20 December 2002.

Principal activities

During the period the company has not traded and there has been no income or expenditure.

Directors

The following directors have held office since 20 December 2002:

SMM Byrne
W Calvert
S Oliver

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 June 2003	20 December 2002
SMM Byrne	333	-
W Calvert	334	1
S Oliver	333	-

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



SMM Byrne
Director
16 April 2004

WHITESTONE ESTATES LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF WHITESTONE ESTATES LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the period ended 30 June 2003, set out on pages 3 to 5 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

Chipchase Nelson.

Chipchase Nelson

16 April 2004

Accountants

9 Kensington
Cockton Hill Road
Bishop Auckland
County Durham
DL14 6HX

WHITESTONE ESTATES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2003

The company has not traded during the period. During the period the company received no income and incurred no expenditure and therefore made neither profit nor loss and had no recognised gains and losses.

WHITESTONE ESTATES LIMITED

BALANCE SHEET AS AT 30 JUNE 2003

	Notes	2003 £	£
Current assets			
Cash at bank and in hand		1,000	
Total assets less current liabilities			<u>1,000</u>
Capital and reserves			
Called up share capital	2		<u>1,000</u>
Shareholders' funds			<u>1,000</u>

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 249AA(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 financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to financial statements, 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 16 April 2004



SMM Byrne
Director

WHITESTONE ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

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	Share capital	2003 £
	Authorised	
	1,000 Ordinary shares of £1 each	1,000
		<hr/>
	Allotted, called up and fully paid	
	1,000 Ordinary shares of £1 each	1,000
		<hr/>

During the period 1,000 ordinary shares of £1 each were issued at par for cash as part of the incorporation of the company.

3 Post balance sheet events

With effect from 1st July 2003 the freehold properties of Whitestone Weavers Limited were transferred to the company at their book value of £1,244,290. These properties were then rented out under operating leases. The directors and shareholders of Whitestone Estates Limited are also directors and shareholders of Whitestone Weavers Limited.