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MUREHOUSE PROPERTIES LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2001



MUREHOUSE PROPERTIES LIMITED

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for the year ended 28th February 2001

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MUREHOUSE PROPERTIES LIMITED

COMPANY INFORMATION
for the year ended 28th February 2001

DIRECTORS:

R.J. Cleaver
T.D. Boakes
R.L. Court
Viscount Lifford
B.S. Keys
D.M. Joseph
D.N. Taylor

SECRETARY:

T.D. Boakes

REGISTERED OFFICE:

9 Charlecote Mews
Staple Gardens
Winchester
Hants., SO23 8SR

REGISTERED NUMBER:

2540696 (England and Wales)

AUDITORS:

BKL Blueprint
Registered Auditor
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
SO53 3TY

MUREHOUSE PROPERTIES LIMITED

REPORT OF THE DIRECTORS for the year ended 28th February 2001

The directors present their report with the financial statements of the company for the year ended 28th February 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the management of property for letting on assured tenancies.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 28th February 2001.

FUTURE DEVELOPMENTS

The company remained dormant throughout the year and expects to continue so.

DIRECTORS

The directors during the year under review were:

R.J. Cleaver	
T.D. Boakes	
R.L. Court	
Viscount Lifford	
B.S. Keys	
D.M. Joseph	- appointed 7.6.00
D.N. Taylor	- appointed 7.6.00

The directors holding office at 28th February 2001 did not hold any beneficial interest in the issued share capital of the company at 1st March 2000 (or date of appointment if later) or 28th February 2001.

The directors interests in the shares of the holding company are disclosed in the holding company's financial statements.

SUPPLIER PAYMENT POLICY

Suppliers are paid in accordance with any specific term which forms part of the contract of supply; where no specific term has been agreed suppliers will ordinarily be paid in the month following the month in which the supply of goods or services occurred, provided no dispute exists. Creditor days at 28th February 2001 amounted to nil days.

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 them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

MUREHOUSE PROPERTIES LIMITED

REPORT OF THE DIRECTORS
for the year ended 28th February 2001

AUDITORS

The auditors, BKL Weeks Green, have transferred their audit business to Blueprint Audit Limited trading as BKL Blueprint. In accordance with section 26 of the Companies Act 1989, Blueprint Audit Limited trading as BKL Blueprint have been appointed as auditors to succeed BKL Weeks Green, and will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



T.D. Boakes - SECRETARY

Dated: 16th May 2001

MUREHOUSE PROPERTIES LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF MUREHOUSE PROPERTIES LIMITED

We have audited the financial statements of Murehouse Properties Limited for the year ended 28th February 2001 on pages five to ten. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 Report of the Directors 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of 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 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 28th February 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BKL Blueprint
Registered Auditor
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
SO53 3TY

Dated: 16th May 2001

MUREHOUSE PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 28th February 2001

		<u>2001</u>	<u>2000</u>
	Notes	£	£
TURNOVER	2	-	18,042
Cost of sales		<u>-</u>	<u>2,288</u>
GROSS PROFIT		-	15,754
Administrative expenses		<u>-</u>	<u>5,042</u>
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	-	10,712
Tax on profit on ordinary activities	4	<u>(2,376)</u>	<u>2,376</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		2,376	8,336
Retained profit brought forward		<u>33,683</u>	<u>25,347</u>
RETAINED PROFIT CARRIED FORWARD		<u><u>£36,059</u></u>	<u><u>£33,683</u></u>

DISCONTINUED OPERATIONS

All of the company's activities were discontinued during the previous year.

The notes form part of these financial statements

MUREHOUSE PROPERTIES LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 28th February 2001

	<u>2001</u>	<u>2000</u>
	£	£
PROFIT FOR THE FINANCIAL YEAR	2,376	8,336
Unrealised gain on revaluation	<u> </u>	<u> </u>
TOTAL RECOGNISED GAINS AND LOSSES		
RELATING TO THE YEAR	<u>£2,376</u>	<u>£8,336</u>

The notes form part of these financial statements


MUREHOUSE PROPERTIES LIMITED

BALANCE SHEET
28th February 2001

		<u>2001</u>	<u>2000</u>
	Notes	£	£
CURRENT ASSETS:			
Debtors	5	249,429	251,842
Cash in hand		<u>-</u>	<u>2</u>
		249,429	251,844
CREDITORS: Amounts falling due within one year	6	<u>-</u>	<u>4,791</u>
NET CURRENT ASSETS:		<u>249,429</u>	<u>247,053</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u><u>£249,429</u></u>	<u><u>£247,053</u></u>
 CAPITAL AND RESERVES:			
Called up share capital	7	186,002	186,002
Share premium	8	27,368	27,368
Profit and loss account		<u>36,059</u>	<u>33,683</u>
SHAREHOLDERS' FUNDS:	13	<u><u>£249,429</u></u>	<u><u>£247,053</u></u>

ON BEHALF OF THE BOARD:


R.J. Cleaver - DIRECTOR


T.D. Boakes - DIRECTOR

Approved by the Board on 16th May 2001

The notes form part of these financial statements

MUREHOUSE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 28th February 2001

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with applicable accounting standards.

Turnover

Turnover comprises rents and amounts derived from the provision of services, excluding value added tax.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2001 £	2000 £
Loss on disposal of fixed assets	-	1,143
Auditors' remuneration	-	1,150
	<u>-</u>	<u>1,150</u>
Directors' emoluments	-	-
	<u>-</u>	<u>-</u>

4. TAXATION

The tax (credit)/charge on the profit on ordinary activities for the year was as follows:

	2001 £	2000 £
UK corporation tax	-	2,376
Prior year adjustment	(2,376)	-
	<u>(2,376)</u>	<u>2,376</u>

UK corporation tax was charged at 20.08% in 2000.

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Prepayments	-	1,434
Amount owed by group company	249,429	250,408
	<u>249,429</u>	<u>251,842</u>

MUREHOUSE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28th February 2001

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Trade creditors	-	273
Taxation	-	2,376
Accrued expenses	-	2,142
	<u>-</u>	<u>4,791</u>

7. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	2001	2000
		value:	£	£
1,000,000	Ordinary	£1	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal	2001	2000
		value:	£	£
186,002	Ordinary	£1	<u>186,002</u>	<u>186,002</u>

8. SHARE PREMIUM

	2001	2000
	£	£
Brought forward	<u>27,368</u>	<u>27,368</u>

9. REVALUATION RESERVE

	2001	2000
	£	£
Brought forward	-	6,000
Realised on transfer to group company	-	(4,000)
Realised on sale of investment property	<u>-</u>	<u>(2,000)</u>
	<u>-</u>	<u>-</u>

10. ULTIMATE PARENT COMPANY

The directors regard Basepoint PLC, a company registered in England and Wales, as the ultimate holding company. Consolidated accounts are available from its Registered Office at 9 Charlecote Mews, Staple Gardens, Winchester, SO23 8SR.

11. CONTINGENT LIABILITIES

The company is part of a multi-lateral guarantee over certain of the borrowings of its parent company and fellow subsidiaries.

12. RELATED PARTY DISCLOSURES

In accordance with FRS8, it is not necessary to disclose inter-company balances and transactions on the grounds that consolidated financial statements are prepared and are publicly available.

MUREHOUSE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 28th February 2001

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit for the financial year	2,376	8,336
Gain realised on sale of investment property	<u>-</u>	<u>(6,000)</u>
Net addition to shareholders' funds	2,376	2,336
Opening shareholders' funds	<u>247,053</u>	<u>244,717</u>
Closing shareholders' funds	<u>249,429</u>	<u>247,053</u>
 Equity interests	 <u>249,429</u>	 <u>247,053</u>