BROWNRIGG DEVELOPMENTS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2002

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COMPANY INFORMATION

COMPANY NUMBER - 3718283

REGISTERED OFFICE - 5 CECIL STREET
CARLISLE
CA1 1NL

DIRECTORS - N. B. Lancaster

I. C. Lancaster

SECRETARY - I. C. Lancaster

BANKERS - Barclays Bank PLC
33 English Street
Carlisle

A4WCDBHR
A41 0707
COMPANIES HOUSE 08/06/02

BROWNRIGG DEVELOPMENTS LIMITED

DIRECTORS REPORT

The Directors present their third Annual Report, for the year ended 31st March 2002

	y.e.31.3.2001	y.e.31.3.2002
TRADING RESULTS		
Profit before tax	23885	51858
Taxation	4124	10370
Profit after tax	19761	41488

STATE OF AFFAIRS

The Directors consider that the Company has traded satisfactorily during the period.

The Directors do not recommend the payment of a dividend.

PRINCIPAL ACTIVITIES

The Company's principal activity is Property Investment, Development and Management.

FIXED ASSETS

The Company acquired Investment Properties for £310797, inclusive of costs, during the period.

DIRECTORS AND SHAREHOLDERS

The Directors serving during the period and their interest in the Company's Share Capital, was as follows:

	as at 31.3.2001	as at 31.3.2002
N. B. Lancaster (as Trustee)	50	50
I. C. Lancaster	50	50
	100	100

There were no other Shareholders during the period

BROWNRIGG DEVELOPMENTS LIMITED

DIRECTORS REPORT (CONTINUED)

AUDITORS

The Company is entitled to exemption from the requirement to have an audit under the provisions of Section 249 a (1), therefore no audit has been undertaken and no auditors have been appointed.

BY ORDER OF THE BOARD

27th May 2002

I. C. LANCASTER

Secretary

STATEMENT OF DIRECTORS RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Directors are required by the Companies Act 1985 to prepare financial statements which give a true and fair view of the state of the Company's affairs at the end of the financial year and of the profit and loss for that period.

It is also the Directors responsibility to maintain adequate accounting records, safeguard the assets of the company and prevent and detect fraud and other irregularities.

The Directors confirm that suitable Accounting Policies, consistently applied and supported by responsible and prudent judgement and estimates, have been used in the preparation of the Financial Statements and that applicable Accounting Standards have been followed.

BY ORDER OF THE BOARD

27th May 2002

I. C. LANCASTER

Secretary

BROWNRIGG DEVELOPMENTS LIMITED

BALANCE SHEET AS AT 31ST MARCH 2002

As at 31.3.2001				
		FIXED ASSETS		
	599535	Properties at Cost (Note 7)		910332
		CURRENT ASSETS		
2066		Debtors - Trade	--	
5098		Cash at Bank and in Hand	20703	
7164			20703	
		Less Current Liabilities		
11624		Creditors falling due within one year (Note 4)	178559	
	(4460)	NET CURRENT ASSETS		(157856)
	595075	TOTAL ASSETS LESS CURRENT LIABILITIES		752476
	566168	Less Creditors falling due after one year (Note 5)		682081
	28907	NET ASSETS		70395
		REPRESENTED BY		
		CAPITAL AND RESERVES		
	100	Called up Share Capital (Note 6)		100
		RESERVES		
	28807	Profit and Loss Account		70295
	28907			70395

The Director considers that the Company is entitled to exemption from the requirement to have an Audit under the provisions of Section 249 A (1) of the Companies Act 1985. Shareholders holding 10% or more of the Company's Share Capital have not issued a notice requiring an Audit. TheDirectors acknowledge their responsibilities for ensuring that the Company keeps Accounting Records which comply with Section 221 of the Companies Act 1985, and for preparing Accounts which give a true and fair view of the state of affairs of the Company as at the end of the Financial Year and of its profit for the year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Act relating to the Accounts so far as applicable to theCompany.

APPROVED BY THE BOARD OF DIRECTORS ON 27TH MAY 2002 AND SIGNED ON ITS BEHALF BY:

N. B. LANCASTER N B Lancaster .....DIRECTOR

BROWNRIGG DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2002

y.e. 31.3.2001			y.e. 31.3.2002
		INCOME	
	39750	Rents Receivable	80336
	3588	Management Fees and Commissions	3542
	43338		83878
		EXPENDITURE	
69		Water Rates	69
46		Insurance	--
143		Repairs and Renewals	55
15		Sundry Expenses	15
971		Bank Charges	93
	1244		232
	42094	OPERATING PROFIT FOR PERIOD	83646
	18209	Less Interest Payable (Note 2)	31788
	23885	PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	51858
	4124	TAXATION (Note 3)	10370
	19761	PROFIT ON ORDINARY ACTIVITIES AFTER TAX	41488
	--	APPROPRIATIONS	--
	19761	RETAINED PROFIT FOR THE FINANCIAL PERIOD	41488
	9046	Add Retained Earnings brought forward	28807
	28807	RETAINED EARNINGS	70295

NOTES

1. CONTINUING OPERATIONS

The Company's activities commenced during the Financial period ended 31st March 2001

2. TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised Gains or Losses other than the Profit for the above Financial period.

BROWNRIGG DEVELOPMENTS LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The Company's Financial Statements have been prepared under the Historical Cost Convention and comply, except where stated, with applicable Statements of Standard Accounting Practice.

	2001	2002
2. INTEREST PAYABLE		
Short Term Bank Overdraft Interest	7	--
Bank Loan Interest (over 5 years)	18202	31788
	18209	31788
3. TAXATION		
Provision for U.K. Corporation Tax	4124	10372
Over Provision for previous year	--	2
	4124	10370
4. CREDITORS FALLIND DUE WITHIN ONE YEAR		
Trade Creditors	--	150000
Defereed Income	7500	18187
Provision for Corporation Tax	4124	10372
	11624	178559
5. CREDITORS FALLING DUE AFTER ONE YEAR		
Bank Loans (over 5 years)	365559	467771
Directors Loan - Mr I. C. Lancaster	200609	214310
	566168	682081
6. CALLED UP SHARE CAPITAL		
AUTHORISED		
1000 Ordinary Shares of One Pound	1000	1000
ISSUED		
100 Ordinary Shares of One Pound each - fully paid	100	100

BROWNRIGG DEVELOPMENTS LIMITED

NOTES TO ACCOUNTS

7. INVESTMENT PROPERTIES

Cost as at 31st March 2001	599535
Additions	310797
Disposals	--
Cost as at 31st March 2002	910332
Depreciation as at 31st March 2001	--
Provision for Year	--
Depreciation as at 31st March 2002	--
NET BOOK VALUE AS AT 31ST MARCH 2001	599535
NET BOOK VALUE AS AT 31ST MARCH 2002	910332