

BERGFELD COMPANY LIMITED

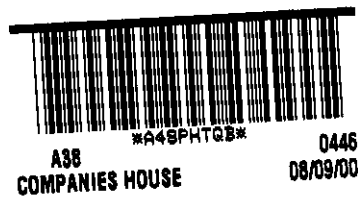
Company No: 612150

ABBREVIATED

FINANCIAL STATEMENTS

for the year ended

30TH SEPTEMBER 1999



BERGFELD COMPANY LIMITED

DIRECTORS

Mr. Sighismond Berger
Mr. Samuel Berger
Mrs. Rifka Gross
Mr. Berish Berger
Mrs. Sarah Rachel Klein
Mrs. Zelda Sternlicht
Mr. Abraham Klein
Mr. Joshua Sternlicht

SECRETARY

Mrs. Rifka Gross

REGISTERED OFFICE

13-17 New Burlington Place
Regent Street
London W1X 2JP

AUDITORS

Cohen Arnold & Co.
13-17 New Burlington Place
Regent Street
London W1X 2JP

BERGFELD COMPANY LIMITED

INDEX TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 1999

Page

| | |
|-----|---|
| 1-2 | Auditors' Report |
| 3 | Balance Sheet |
| 4-5 | Notes to the Abbreviated Financial Statements |

AUDITORS' REPORT TO BERGFELD COMPANY LIMITED
UNDER SECTION 247B OF
THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 5 together with the financial statements of the company for the year ended 30th September 1999 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 3 to 5 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On 2 September 1999, we reported, as auditors of Bergfeld Co. Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30 September 1999, and our audit report was as follows:

"We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out in note 1.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As indicated in the directors' report, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit on the financial statements and to report our opinion to you.

AUDITORS' REPORT TO BERGFELD COMPANY LIMITED
UNDER SECTION 247B OF
THE COMPANIES ACT 1985

BASIS OF OPINION

We have 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 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 and to give reasonable assurance that the financial statements are free from material mis-statement, 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.

DEPARTURE FROM ACCOUNTING STANDARDS

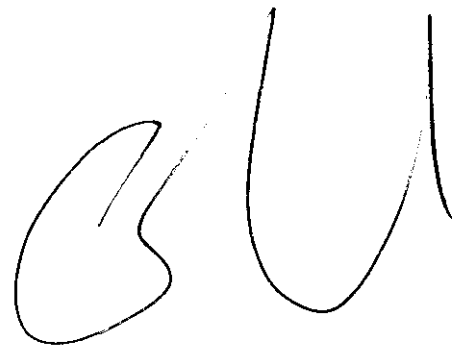
The directors have not fully complied with the disclosure requirements of Financial Reporting Standard No: 8 (FRS 8). It is considered that amounts due from related parties are £6,221,848 and amounts due to related parties are £1, 099,982.

QUALIFIED OPINION ARISING FROM DEPARTURE FROM ACCOUNTING STANDARDS

Except for non-compliance with the requirements of Financial Reporting Standard No: 8, in our opinion the financial statements give a true and fair view of the state of the company's affairs at 30th September 1999 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies."

London

Date: 7 September 1999



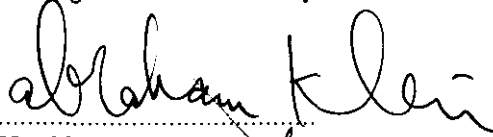

COHEN, ARNOLD & CO.
Chartered Accountants and
Registered Auditor

BERGFELD COMPANY LIMITED
BALANCE SHEET AS AT 30TH SEPTEMBER 1999

| | Notes | £ | 1999 £ | 1998 £ | £ |
|---|-------|-------------|-------------|-------------|------------|
| FIXED ASSETS | | | | | |
| Investments | 2 | | 300 | | 300 |
| CURRENT ASSETS | | | | | |
| Debtors | | 13,019,670 | | 10,372,600 | |
| Cash at bank | | 2,406 | | 1,896,746 | |
| | | | | | |
| | | 13,022,076 | | 12,269,346 | |
| CREDITORS: Amounts falling due within one year | | (2,700,563) | | (2,399,392) | |
| | | | | | |
| NET CURRENT ASSETS | | | 10,321,513 | | 9,869,954 |
| | | | | | |
| NET ASSETS | | | £10,321,813 | | £9,870,254 |
| | | | | | |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 3 | | 100 | | 100 |
| Other reserves | 4 | | 62,188 | | 62,188 |
| Profit and loss account | | | 10,259,525 | | 9,807,966 |
| | | | | | |
| | | | £10,321,813 | | £9,870,254 |

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 30th August 2000 and signed on its behalf by:


 Mr. Abraham Klein

 Mr. Joshua Sternlicht
 Directors

The notes on pages 4 to 5 form part of these financial statements.

BERGFELD COMPANY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH SEPTEMBER 1999

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in the preparation of the company's financial statements.

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

1.2 CONSOLIDATED FINANCIAL STATEMENTS

The company is exempt from the requirement to prepare consolidated financial statements on the basis of it being a "small company" as defined by Section 247 Companies Act 1985.

1.3 CASH FLOW STATEMENT

The company is exempted from the requirement to prepare a Cash Flow Statement (in accordance with Financial Reporting Standard No. 1) on the basis of its being a "small company" as defined by Section 247 Companies Act 1985.

2. INVESTMENTS

| | <u>1999</u> £ | <u>1998</u> £ |
|--|--------------------------------|--------------------------------|
| Investment in subsidiary undertakings: | | |
| At 30th September 1998 and 1999 | £300 | £300 |

The company's direct active subsidiaries were as follows:

| | Description and Proportion of Share Capital Owned | Country of Incorporation | Nature of Business |
|---------------------------|--|-------------------------------------|--------------------------------------|
| Chaseville Ltd | Ordinary 100% | England | Property Trading & Investment Co. |
| Crownpark Investments Ltd | Ordinary 100% | England | Property Investment Co. |
| Deneview Properties Ltd | Ordinary 100% | England | Property Investment Co. |

The value of investments in the subsidiary undertakings based on the net equity method was as follows:

| | Aggregate capital and reserves at 30th September 1999 £ | Profit/(loss) for the period ended 30th September 1999 £ |
|---------------------------|--|---|
| Chaseville Limited | Not available | Not available |
| Crownpark Investments Ltd | Not available | Not available |
| Deneview Properties Ltd | 755,446 | 311,363 |

BERGFELD COMPANY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30TH SEPTEMBER 1999

3. SHARE CAPITAL

| | £ | £ |
|--------------------------------|----------|----------|
| <u>Authorised:</u> | | |
| 500 ordinary shares of £1 each | £500 | £500 |
| | <hr/> | <hr/> |
| <u>Issued and Fully Paid:</u> | | |
| 100 ordinary shares of £1 each | £100 | £100 |
| | <hr/> | <hr/> |

4. OTHER RESERVES

| | <u>1999</u> £ | <u>1998</u> £ |
|---|--------------------------------|--------------------------------|
| Capital reserve as at <i>1st October 1998</i> and at 30th September 1999 | £62,188 | £62,188 |
| | <hr/> | <hr/> |

5. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | <u>1999</u> £ | <u>1998</u> £ |
|-------------------------------------|--------------------------------|--------------------------------|
| Profit for the financial period | 451,559 | 20,412 |
| | <hr/> | <hr/> |
| Net movement in shareholders' funds | 451,559 | 20,412 |
| Opening shareholders' funds | 9,870,254 | 9,849,842 |
| | <hr/> | <hr/> |
| | £10,321,813 | £9,870,254 |
| | <hr/> | <hr/> |

6. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Lexbill Limited, a company incorporated in England, whilst the parent undertaking is Tripform Limited, a company incorporated in England.