

37 SLOANE GARDENS MANAGEMENT COMPANY LIMITEDDirectors' Report

The directors hereby submit their report and the financial statements of the Company for the period 01 August 2000 to 31 July 2001.

Principal Activities

The Company's main activity is to manage the property known as 37 Sloane Gardens, Chelsea, SW1W 8EB.

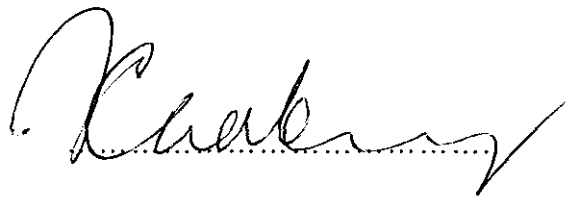
Directors and their Interests

The directors of the Company who served during the period from 01 August 2000 to 31 July 2001 are shown below and their interests in the share capital of the Company were as follows:

Directors	Appointed	Ordinary Shares of £1	
		31 July 2001	1 August 2000
Mr. J. Cadbury	3 Feb 2000	1	1
Mrs. M. Gregotti	" "	1	1
Lt.Col. A.F.B. Ashbrooke	" "	1	1
Ms. S. Stillianova	" "	1	1
Mrs. K. Hoyer	" "	0	0

In preparation of the directors' report advantage has been taken of the special exemptions applicable to small companies conferred by Part II of Schedule 8 of the Companies Act 1985.

BY ORDER OF THE BOARD



37 Sloane Gardens Management Company Ltd.

c/o Penningtons, 1st Floor
Bucklersbury House
83 Cannon Street
London EC4N 8PE

Dated




37 SLOANE GARDENS MANAGEMENT COMPANY LIMITED

Profit and loss account for the year ended 31 July 2001

	2001 £	2000 £
Income		
Service charge payments by Residents	26099	1708
Expenditure		
Administration & Minor Repairs	1561	(470)
Major Repairs	23300	0
Insurance	1238	(1238)
Operating Profit	0	0
Profit before Taxation	0	0
Taxation	0	0
Profit After Taxation	0	0
Dividend	0	0
Profit Retained	0	0

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Balance Sheet as at 31 July 2001

	2001 £	2000 £
CURRENT ASSETS		
Debtors	5	5
Cash and Bank	1324	1394
CURRENT LIABILITIES		
Provision for maintenance and repairs	1324	(1394)
NET ASSETS	5	5
CAPITAL AND RESERVES		
Share Capital:		
Ordinary Shares of £1 each	5	5

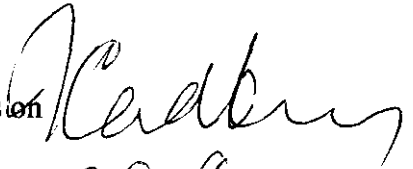
In preparing these financial statements:

- a) The directors are of the opinion that the Company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985:
- b) Shareholders holding 10% or more of the Company's share capital have not issued a notice requiring an audit:
- 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 accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial period in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the Act relating to accounts so far as applicable to the Company.

In preparing these financial statements:

- a) Advantage has been taken of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985; and
- b) In the directors opinion the Company is entitled to these exemptions as a small company

Approved by the directors on

 2002
29 January 2002

Director



37 SLOANE GARDENS MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements for the period ended 31 July 2001

1. ACCOUNTING POLICIES

These financial statements have been prepared under the historical cost convention and in accordance with appropriate accounting standards.

2. TAXATION

The purpose of the Company is to defray the expenses of the management of the property making neither profit nor loss. No liability to taxation therefrom on any short term surpluses.

3. PROVISIONS

Since the purpose of the Company is to defray the management expenses, all these moneys held have been collected simply as a short term provision for, principally, forthcoming maintenance and repairs.