

**Report of the Directors and
Financial Statements
for the Year Ended 30 September 1996
for
71 PARK STREET MANAGEMENT LIMITED**



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for the Year Ended 30 September 1996**

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71 PARK STREET MANAGEMENT LIMITED

**Company Information
for the Year Ended 30 September 1996**

DIRECTORS:

W Zinsser
A J Simons
S Thomas
A M Peters
S Burman

SECRETARY:

G Zinsser

REGISTERED OFFICE:

Upper Fielde
71 Park Street
Mayfair
London W1Y 3HB

REGISTERED NUMBER:

02650248

AUDITORS:

Elliotts
Registered Auditors
Centre Heights
137 Finchley Road
London NW3 6JG

71 PARK STREET MANAGEMENT LIMITED

Report of the Directors for the Year Ended 30 September 1996

The directors present their report with the financial statements of the company for the year ended 30 September 1996.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property managers of 71 Park Street, London, W1Y 3HB.

DIRECTORS

The directors during the year under review were:

W Zinsser
A J Simons
S Thomas
A M Peters
S Burman

The beneficial interests of the directors holding office on 30 September 1996 in the issued share capital of the company were as follows:

	30.9.96	1.10.95
Ordinary £1 shares		
W Zinsser	1	1
A J Simons	1	1
S Thomas	1	1
A M Peters	1	1
S Burman	1	1

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 judgments 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.

AUDITORS

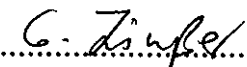
The auditors, Elliotts, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

71 PARK STREET MANAGEMENT LIMITED

**Report of the Directors
for the Year Ended 30 September 1996**

In preparing this report, the directors have taken advantage of special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
G Zinsser - SECRETARY

Dated: 15th May 1997.

71 PARK STREET MANAGEMENT LIMITED

Report of the Auditors to the Shareholders of 71 PARK STREET MANAGEMENT LIMITED

We have audited the financial statements on pages five to nine which have been prepared under the historical cost convention and the accounting policies set out on page seven.

Respective responsibilities of directors and auditors

As described on page two 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 those statements and to report our opinion to you.

Basis of opinion

We 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 judgments 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 30 September 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Elliotts
Registered Auditors
Centre Heights
137 Finchley Road
London NW3 6JG

Dated: 27th May 1997

71 PARK STREET MANAGEMENT LIMITED

**Profit and Loss Account
for the Year Ended 30 September 1996**

		1996	1995
	Notes	£	£
TURNOVER		-	-
Administrative expenses		14,200	14,466
		(14,200)	(14,466)
Other operating income		19,156	17,956
OPERATING PROFIT	3	4,956	3,490
Interest receivable and similar income	4	2,634	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		7,590	3,490
Tax on profit on ordinary activities		3,368	2,203
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		4,222	1,287
Deficit brought forward		(392)	(1,679)
RETAINED PROFIT/(DEFICIT) CARRIED FORWARD		£3,830	£(392)

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

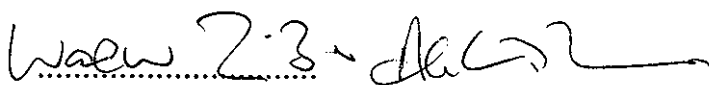
71 PARK STREET MANAGEMENT LIMITED

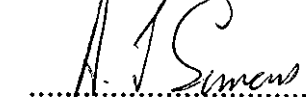
Balance Sheet 30 September 1996

		1996		1995	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	5		144,930		150,840
CURRENT ASSETS:					
Debtors	6	17,942		15,688	
Cash at bank and in hand		97,015		87,450	
		114,957		103,138	
CREDITORS: Amounts falling due within one year	7	11,864		15,849	
NET CURRENT ASSETS:			103,093		87,289
TOTAL ASSETS LESS CURRENT LIABILITIES:			248,023		238,129
CREDITORS: Amounts falling due after more than one year	8		239,076		233,404
			£8,947		£4,725
CAPITAL AND RESERVES:					
Called up share capital	9		13		13
Share premium	10		5,104		5,104
Profit and loss account			3,830		(392)
Shareholders' funds	11		£8,947		£4,725

In preparing these financial statements, the directors have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. The directors have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


W Zinsser - DIRECTOR


A J Simons - DIRECTOR

Approved by the Board on 13/9/97.

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 30 September 1996

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property - Over the life of the lease

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:

	1996	1995
	£	£
Depreciation - owned assets	5,910	5,910
Auditors' remuneration	747	929
	<u> </u>	<u> </u>
Directors' emoluments	-	-
	<u> </u>	<u> </u>

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	1996	1995
	£	£
Tenants overdue payments	1,021	-
Bank Interest	1,613	-
	<u> </u>	<u> </u>
	2,634	-
	<u> </u>	<u> </u>

Notes to the Financial Statements
for the Year Ended 30 September 1996

5. TANGIBLE FIXED ASSETS

	Land and buildings
	£
COST:	
At 1 October 1995	
and 30 September 1996	171,380
DEPRECIATION:	
At 1 October 1995	20,540
Charge for year	5,910
At 30 September 1996	26,450
NET BOOK VALUE:	
At 30 September 1996	144,930
At 30 September 1995	150,840

6. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1996	1995
	£	£
Other Debtors	5,037	4,734
Prepayments	12,905	10,954
	17,942	15,688

7. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1996	1995
	£	£
Taxation	3,703	2,876
Other creditors and accruals	8,161	12,973
	11,864	15,849

8. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR

	1996	1995
	£	£
Loan Notes	186,385	186,385
Sinking Fund	52,691	47,019
	239,076	233,404

71 PARK STREET MANAGEMENT LIMITED

Notes to the Financial Statements for the Year Ended 30 September 1996

9. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	1996 £	1995 £
100	Ordinary	£1	<u>100</u>	<u>100</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	1996 £	1995 £
13	Ordinary	£1	<u>13</u>	<u>13</u>

10. SHARE PREMIUM

	1996 £	1995 £
Brought forward	5,104	-
Cash share issue	<u>-</u>	<u>5,104</u>
	<u>5,104</u>	<u>5,104</u>

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1996 £	1995 £
Profit for the financial year	4,222	1,287
Share Premium	<u>-</u>	<u>5,104</u>
NET ADDITION TO SHAREHOLDERS' FUNDS	<u>4,222</u>	<u>6,391</u>
Opening shareholders' funds	4,725	(1,666)
CLOSING SHAREHOLDERS' FUNDS	<u>8,947</u>	<u>4,725</u>
Equity interests	<u>8,947</u>	<u>4,725</u>