

**KLEINWORT BENSON PROPERTY MANAGEMENT
& SERVICES LIMITED**

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1995



REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the year ended 31 December 1995.

PRINCIPAL ACTIVITY, REVIEW OF BUSINESS AND FUTURE PROSPECTS

The Company did not trade during the year and the directors expect the company to remain non-trading.

CHANGE OF ULTIMATE PARENT COMPANY

The ultimate parent company is Dresdner Bank AG. On 7 August 1995, Kleinwort Benson Group plc was acquired by Dresdner Investments (UK) plc, a company incorporated in Great Britain and registered in England and Wales. Dresdner Investments (UK) plc is a wholly-owned direct subsidiary of Zenon Beteiligungs GmbH which is itself a wholly-owned direct subsidiary of Dresdner Bank AG.

DIRECTORS

The directors who served during the year were as follows:

J R Brown
P E Churchill-Coleman
R D N Harley
S A Jack
S P Maclean

DIRECTORS' INTERESTS

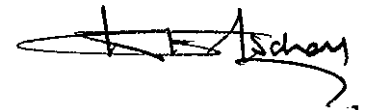
None of the directors had any interests in the share capital of the Company.

The disclosable interests of R D N Harley in the shares, options and debentures of group companies are shown in the directors' report of Kleinwort Benson Group plc. The disclosable interests of J R Brown, P E Churchill-Coleman, S A Jack and S P Maclean are likewise shown in the directors' report of Kleinwort Benson Limited.

AUDITORS

The Company was dormant throughout the year and a special resolution has been passed in accordance with S.250 of the Companies Act 1985 not to appoint auditors.

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'K R Ascham', with a stylized flourish at the end.

K R Ascham
Secretary

31 October 1996

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 as at the end of the financial year and of the profit and 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;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on a 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.

KLEINWORT BENSON PROPERTY MANAGEMENT & SERVICES LIMITED

BALANCE SHEET

As at 31 December 1995

	Note	1995 £	1994 £
CURRENT ASSETS			
Debtors due within one year	3	1,074,922	1,074,922
		<u> </u>	<u> </u>
NET CURRENT ASSETS		1,074,922	1,074,922
		<u> </u>	<u> </u>
CAPITAL AND RESERVES			
Called up share capital	4	130,100	130,100
Profit and loss account	5	944,822	944,822
		<u> </u>	<u> </u>
Equity shareholders' funds		1,074,922	1,074,922
		<u> </u>	<u> </u>

The Company has been dormant throughout the financial year.

These financial statements were approved by the Board of Directors on **31** October 1996 and signed on its behalf by:

Stephen A. Jack

S.A. Jack
Director

The notes on pages 5 and 6 form an integral part of these accounts.

NOTES TO THE ACCOUNTS

For the year ended 31 December 1995

1. ACCOUNTING POLICY

Accounting Convention

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

2. TRADING

The Company did not trade during the year and made neither a profit nor a loss and consequently no profit and loss account is presented. There were no movements on shareholders' funds nor any other recognised gains or losses. The expenses of the Company have been borne by Kleinwort Benson Limited, the immediate parent company.

	1995 £	1994 £
3. DEBTORS		
Amounts owned by parent company	1,074,922	1,074,922
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS

For the year ended 31 December 1995

	1995 £	1994 £
4. CALLED UP SHARE CAPITAL		
Authorised, allotted and fully paid: 130,100 ordinary shares of £1 each	130,100	130,100
	<u> </u>	<u> </u>
5. PROFIT AND LOSS ACCOUNT		
		£
Balance as at 1 January 1995		944,822
Retained profit for the year		-
		<u> </u>
Balance as at 31 December 1995		944,822
		<u> </u>
6. ULTIMATE PARENT COMPANY		

From 7 August 1995, the ultimate parent company was Dresdner Bank AG, a company incorporated in Germany. Prior to this date, the ultimate parent company was Kleinwort Benson Group plc, a company incorporated in Great Britain and registered in England and Wales, which for consolidation purposes remains the parent undertaking of the smallest group of which the Company is a member. Copies of the consolidated financial statements of both of these companies will be filed in due course at the Companies Registration Office, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.