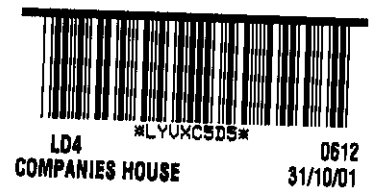


Company Registration No: 878944

S. P. PROPERTIES (KNIGHTSBRIDGE) LIMITED

Report and Financial Statements

31 December 2000



ACRECASTLE PROPERTIES LIMITED

REPORT AND FINANCIAL STATEMENTS 2000

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S. P. PROPERTIES (KNIGHTSBRIDGE) LIMITED

REPORT AND FINANCIAL STATEMENTS 2000

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTOR

M H Marx

SECRETARY

S A Lanes

REGISTERED OFFICE

Portland House
Stag Place
London SW1E 5DS

S. P. PROPERTIES (KNIGHTSBRIDGE) LIMITED

DIRECTOR'S REPORT

The director presents his annual report and financial statement for the year ended 31 December 2000.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year and for the foreseeable future is that of property investment. The company was dormant during the year.

DIVIDENDS

The director does not recommend the payment of a dividend (1999: £nil).

DIRECTORS

M H Marx was the sole director of the company during the year. At no time during the year did he have any interests in the shares of the company nor any other Group company except as disclosed below.

The interests of M H Marx at 31 December 2000 in the 50p Ordinary shares of Development Securities PLC and the options granted to him under that company's share option scheme are disclosed in the 2000 Report and Financial Statements of that company.

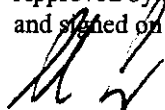
PAYMENT POLICY

Amounts due to suppliers are settled promptly by Development Securities PLC on behalf of the Company within their terms of payment, except in cases of dispute. The number of days' creditors outstanding for the Development Securities PLC group at 31 December 2000 was four (1999: five).

AUDITORS

The company has been dormant throughout the current and preceding financial year and has passed a resolution under S250 Companies Act 1985 not to appoint auditors.

Approved by the Director
and signed on his behalf



S A Lanes
Secretary

29th October 2001

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director 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 its profit or loss for that period. In preparing those financial statements, the director is 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

S. P. PROPERTIES (KNIGHTSBRIDGE) LIMITED

BALANCE SHEET 31 December 2000

	Note	2000 £	1999 £
CURRENT ASSETS			
DEBTORS:			
Amount due from ultimate parent company		<u>2</u>	<u>2</u>
 CAPITAL AND RESERVES			
TOTAL EQUITY SHAREHOLDERS' FUNDS:			
CALLED UP SHARE CAPITAL	3	<u>2</u>	<u>2</u>

The company has been dormant throughout the current and preceding financial year.

The financial statement was approved by the Director on 29th October 2001.


M H Marx
Director

S. P. PROPERTIES (KNIGHTSBRIDGE) LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2000

1 ACCOUNTING POLICY

The financial statement has been prepared in accordance with applicable accounting standards on the historic cost basis of accounting.

Cash flow statement

The ultimate parent company, Development Securities PLC, has prepared a consolidated cash flow statement in accordance with Financial Reporting Standards No. 1, thus exempting the company from the requirement to prepare a cash flow statement.

2 PROFIT AND LOSS ACCOUNT

The company did not trade during the current or preceding financial year and made neither a profit nor a loss. There are no recognised gains or losses or movements in shareholders' funds for the current or preceding financial year.

The director did not receive any emoluments from the company during the year (1999: £nil).

The company does not have any employees (1999: none).

The company has been dormant throughout the financial year and has passed a resolution under S250 Companies Act 1985 not to appoint auditors.

3 CALLED UP SHARE CAPITAL

	2000 £	1999 £
Authorised:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Issued, allotted and fully paid:		
Ordinary shares of £1 each	<u>2</u>	<u>2</u>

4 ULTIMATE AND IMMEDIATE CONTROLLING PARTIES

The ultimate parent and controlling company of the largest group for which consolidated accounts are produced is Development Securities PLC. The immediate parent company of the smallest group for which consolidated accounts are produced is Development Securities (Investments) PLC. Both companies are registered in England and Wales. Copies of the Report and Financial Statements of Development Securities PLC and Development Securities (Investments) PLC can be obtained from Portland House, Stag Place, London SW1E 5DS.

5 RELATED PARTY DISCLOSURE

The company is a wholly owned subsidiary undertaking and, in accordance with the exemption provided by Financial Reporting Standard No. 8, "Related Party Disclosures," transactions with other undertakings within the Development Securities PLC Group have not been disclosed within these financial statements.