

ANTLER PROPERTY INVESTMENTS PLC

Report and Financial Statements

31 March 1999

**Deloitte & Touche
Grosvenor House
66/67 Athol Street
Douglas
Isle of Man
IM99 1XJ**



REPORT AND FINANCIAL STATEMENTS 1999

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REPORT AND FINANCIAL STATEMENTS 1999

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Iain M Ramsay
Alan A Welsh Bsc ARICS
Thomas C L Pissarro ARICS

SECRETARY

Robert J Dodd FCCA

REGISTERED OFFICE

Hannover House
1 Station Parade
Virginia Water
Surrey
GU25 4AA

AUDITORS

Deloitte & Touche
Grosvenor House
66/67 Athol Street
Douglas
Isle of Man
IM99 1XJ

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 March 1999.

ACTIVITY

The company has not commenced trading.

YEAR 2000 COMPLIANCE

The inability of computers, software and other equipment utilising microprocessors to recognise and properly process data fields containing a 2 digit year is commonly referred to as the Year 2000 Compliance issue. As the year 2000 approaches, such systems may be unable to accurately process certain date-based information.

The company has identified all significant applications that will require modification to ensure Year 2000 Compliance. Internal and external resources are being used to make the required modifications and test Year 2000 Compliance.

In addition, the company is in the process of communicating with others with whom it does significant business to determine their Year 2000 Compliance readiness and the extent to which the company is vulnerable to any third party Year 2000 issues. However, there can be no guarantee that the systems of other companies on which the company's systems rely will be timely converted, or that a failure to convert by another company, or a conversion that is incompatible with the company's systems, would not have a material adverse effect on the company.

The total cost to the company of these Year 2000 Compliance activities has not been quantified but it has not been and is not anticipated to be material to its financial position or results of operations in any given year.

DIRECTORS

The present membership of the Board is set out on page 1. All the directors served throughout the year and to date with the following exception:

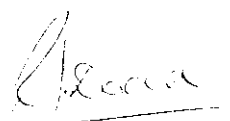
Thomas C L Pissarro Appointed 26 April 1999

No director has or had at any time during the year any beneficial interest in the shares of the company.

AUDITORS

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

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


R J Dodd

Secretary

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 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 judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed
- 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' REPORT TO THE MEMBERS OF

ANTLER PROPERTY INVESTMENTS PLC

We have audited the financial statements on pages 5 to 6 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 3 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's and the group'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 31 March 1999 and of the result for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

DELOITTE & TOUCHE

Chartered Accountants and Registered Auditors

20 August 1999



BALANCE SHEET
31 March 1999

	Note	1999 £	1998 £
CURRENT ASSETS			
Called up share capital not paid		<u>12,501</u>	<u>12,501</u>
CAPITAL AND RESERVES			
Called up share capital	3	<u>12,501</u>	<u>12,501</u>

These financial statements were approved by the Board of Directors on 10 August 1999.

Signed on behalf of the Board of Directors

A A Welsh
Director



NOTES TO THE ACCOUNTS
Year ended 31 March 1999

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

2. PROFIT AND LOSS ACCOUNT

The company has not traded and has made neither profit nor loss in the year to 31 March 1999. No profit and loss account has therefore been prepared.

3. CALLED UP SHARE CAPITAL

	1999 £	1998 £
Authorised		
50,000 ordinary shares of £1 each	50,000	50,000
Allotted		
2 ordinary shares of £1 each (fully paid)	2	2
49,998 ordinary shares of £1 each (25% paid)	12,499	12,499
	<u>12,501</u>	<u>12,501</u>

4. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate parent company is Antler Property Corporation Plc, a company registered in England and Wales. The ultimate parent company is Antler Property Corporation Limited, a company having been incorporated in Bermuda, discontinued and holding a certificate of continuance in the British Virgin Islands.

Antler Property Corporation Plc is considered to be the controlling party of the company. The ultimate controlling party is considered to be Lincoln Trust Company Limited, a British Virgin Islands corporation, as Trustees of the P S Gower Settlement.

The company has taken advantage of the exemption granted by paragraph 3(c) of FRS 8, Related Party Disclosures not to disclose transactions with Antler Property Corporation Limited group companies or interests of the group who are related parties. The financial statements of the parent company are available at the company's registered office.