

CWE SPVd LIMITED
Registered Number: 3123296

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001



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DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2001

The directors present herewith the audited financial statements for the year ended 30 June 2001.

ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking is CWE SPV HCo Limited, a company registered in England and Wales. The company's ultimate parent is Canary Wharf Group plc ('CWG').

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the company remains property investment, although it held no investment properties during the year ended 30 June 2001.

DIVIDENDS AND RESERVES

The profit and loss account for the year ended 30 June 2001 is set out on page 6. The directors do not recommend the payment of a dividend (2000:Nil).

DIRECTORS

The directors of the company during the year ended 30 June 2001 were:

A P Anderson II
G Iacobescu
G Rothman

DIRECTORS' INTERESTS

The directors have been granted options to subscribe for ordinary shares in CWG. Details of interests and options to subscribe for shares in CWG are disclosed in the financial statements of either Canary Wharf Holdings Limited, an intermediate parent company, or CWG, as appropriate.

Other than the above, no director had any beneficial interest in the shares of the company, its parent undertaking or any of its subsidiaries at 30 June 2001 or at any time throughout the year then ended.

AUDITORS

The company's incumbent auditors, Arthur Andersen, have indicated their willingness to continue in office and a resolution confirming their re-appointment will be submitted at the Annual General Meeting.

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2001

BY ORDER OF THE BOARD



..... Company Secretary
J R Garwood

31 October 2001

Registered office:
One Canada Square
Canary Wharf
London
E14 5AB

STATEMENT OF THE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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 results of the company for the year then ended. In preparing these 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, subject to any material departures disclosed and explained in the financial statements; and
- 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 enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CWE SPVd LIMITED

We have audited the financial statements of CWE SPVd Limited for the year ended 30 June 2001 which comprise the primary financial statements, such as the Profit and Loss Account and the Balance Sheet, and the related Notes numbered 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 circumstances of the company, 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.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
CWE SPVd LIMITED**

Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the company at 30 June 2001 and of the company's result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Arthur Andersen
Chartered Accountants and Registered Auditors**

180 Strand
London
WC2R 1BL

31 October 2001

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2001

	Notes	Year Ended 30 June 2001	Year Ended 30 June 2000
		£	£
Interest receivable	3	81,525	74,391
Interest payable and similar charges	4	(81,525)	(74,391)
PROFIT FOR THE FINANCIAL YEAR		-	-

Movements in reserves are shown in Note 9 of these financial statements.

All amounts relate to continuing activities.

There were no recognised gains or losses for the year ended 30 June 2001 or the year ended 30 June 2000 other than those included in the profit and loss account.

The notes on pages 8 to 10 form an integral part of these financial statements.

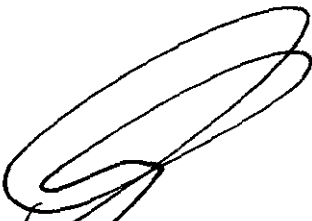
CWE SPVd LIMITED**BALANCE SHEET AS AT 30 JUNE 2001**

	Notes	30 June 2001 £	30 June 2000 £
CURRENT ASSETS			
Debtors	6	1,723,082	1,641,557
		<u>1,723,082</u>	<u>1,641,557</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	7	(1,723,081)	(1,641,556)
NET ASSETS		<u>1</u>	<u>1</u>
CAPITAL AND RESERVES			
Called-up share capital	8	1	1
Profit and loss account		-	-
SHAREHOLDERS' FUNDS - EQUITY	9	<u>1</u>	<u>1</u>

There were no other recognised gains or losses for 2001 or 2000.

The notes on pages 8 to 10 form an integral part of these financial statements.

APPROVED BY THE BOARD ON 31 OCTOBER 2001 AND SIGNED ON ITS BEHALF BY:



A.P. ANDERSON II
DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001**1 PRINCIPAL ACCOUNTING POLICIES**

A summary of the principal accounting policies of the company, all of which have been applied consistently throughout the year and the preceding year, is set out below.

Accounting convention

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

In accordance with the provisions of Financial Reporting Standard (FRS) 1 (Revised), a cash flow statement has not been prepared as the company is a wholly-owned subsidiary of a body incorporated in the European Union. A consolidated cash flow statement is included in the financial statements of CWG.

Deferred taxation

Taxation deferred or accelerated by the effect of timing differences is accounted for to the extent that it is probable that a liability or asset will crystallise.

2 ADMINISTRATIVE EXPENSES

None of the directors received any emoluments in respect of their services to the company during the year.

No staff were employed by the company other than the directors.

Auditors' remuneration has been borne by another group undertaking.

3 INTEREST RECEIVABLE

	Year Ended 30 June 2001	Year Ended 30 June 2000
	£	£
Interest receivable from group undertakings	81,525	74,391
	<u>81,525</u>	<u>74,391</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

4 INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 30 June 2001	Year Ended 30 June 2000
	£	£
Interest payable to group undertakings	81,525	74,391
	<u>81,525</u>	<u>74,391</u>

5 TAXATION

No charge for taxation has been made since the company recorded neither a profit nor loss for the year. There is no unprovided deferred taxation.

6 DEBTORS

	30 June 2001	30 June 2000
	£	£
Loan to fellow subsidiary undertaking	1,485,462	1,403,937
Amount owed by parent undertaking	1	1
Amounts owed by fellow subsidiary undertakings	237,619	237,619
	<u>1,723,082</u>	<u>1,641,557</u>

The loan to a fellow subsidiary undertaking bears interest at a rate linked to LIBOR and is repayable on demand.

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 June 2001	30 June 2000
	£	£
Loan owed to parent undertaking	228,097	215,589
Loan owed to fellow subsidiary undertaking	1,494,980	1,425,963
Amounts owed to fellow subsidiary undertakings	4	4
	<u>1,723,081</u>	<u>1,641,556</u>

The loans from the parent and fellow subsidiary undertakings bear interest at a rate linked to LIBOR, subject to certain caps, and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

8 CALLED-UP SHARE CAPITAL

	30 June 2001	30 June 2000
	£	£
Equity Shares		
Ordinary shares of £1 each		
Authorised	100	100
Allotted, called-up and fully paid	1	1

9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Shareholders' funds	£
as at 30 June 2000 and 30 June 2001	1

10 RELATED PARTIES

The company's immediate parent undertaking is CWE SPV HCo Limited, a company registered in England and Wales. The company's ultimate parent is Canary Wharf Group plc, a company registered in England and Wales.

Copies of the consolidated financial statements of Canary Wharf Group plc may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London, E14 5AB.

The directors have taken advantage of the exemption in paragraph 3(c) of FRS8 allowing the company not to disclose related party transactions with respect to other group companies.