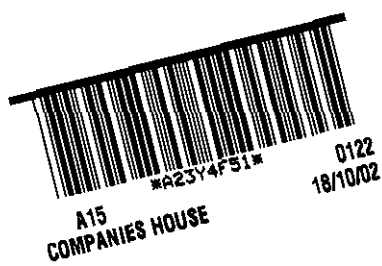


Company Registration No. 3147207

NOVOBOND INVESTMENTS LIMITED

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2001



NOVOBOND INVESTMENTS LIMITED
REPORT AND FINANCIAL STATEMENTS 2001

CONTENTS

	Page
Officers and professional advisers	1
Directors' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 to 7

NOVOBOND INVESTMENTS LIMITED

REPORT AND FINANCIAL STATEMENTS 2001

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Mr T H Meredith

Mrs J Taylor

SECRETARY

T H Meredith

REGISTERED OFFICE

6 Marlings Park Avenue

Chislehurst

Kent

BR7 6QW

REPORTING ACCOUNTANT

John A Grou FCA

Chartered Accountant

Cleves Cottage

Little Hill

West Chiltington

Pulborough

West Sussex

RH20 2PU

NOVOBOND INVESTMENTS LIMITED

DIRECTORS' REPORT

The directors present their annual report and the financial statements for the year ended 31 December 2001.

ACTIVITIES

The principal activity of the company is the management of 109 St George's Square, London, SW1, continuing from the completion of its role as the joint venture investment company at the end of March 1998.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The directors consider the company's results to be satisfactory and expect the company to continue its principal activity for the foreseeable future.

RESULT AND DIVIDENDS

The company's result for the year was a profit after taxation of £Nil. (2000 - £12 loss)

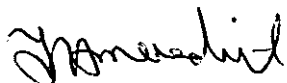
The directors do not recommend the payment of a dividend for the year. (2000 - £Nil)

DIRECTORS AND THEIR INTERESTS

The directors in office at the end of the year are listed below. Both served throughout the year. The beneficial interests of the directors in the shares of the company at the beginning and end of the year were as follows:

	Ordinary shares 2001 No	of £1 each 2000 No
T H Meredith	-	-
J Taylor	-	-

APPROVED BY THE BOARD OF DIRECTORS
AND SIGNED ON BEHALF OF THE BOARD



T H MEREDITH
Secretary/Director

15 October 2002

NOVOBOND INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £	2000 £
TURNOVER	1	10,167	7,917
Cost of sales		-	-
Gross profit		<u>10,167</u>	<u>7,917</u>
Administrative expenses		(10,255)	(7,967)
OPERATING LOSS		<u>(88)</u>	<u>(50)</u>
Interest receivable		61	44
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(27)</u>	<u>(6)</u>
Tax on loss on ordinary activities	3	27	(6)
PROFIT/ (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR		<u>-</u>	<u>(12)</u>
Summary of Retained Loss			
Balance at 31 December 2000		(9,173)	(9,161)
Profit/ (Loss) for the financial year		-	(12)
Balance at 31 December 2001		<u>(9,173)</u>	<u>(9,173)</u>

There are no recognised gains and losses for the current and preceding financial year other than as stated in the profit and loss account. All amounts derive from continuing operations.

NOVOBOND INVESTMENTS LIMITED

BALANCE SHEET AT 31 DECEMBER 2001

	Notes	2001 £	2000 £
CURRENT ASSETS			
Debtors	4	10,418	9,270
Cash at bank		<u>84</u>	<u>81</u>
		10,502	9,351
CREDITORS : amounts falling due within one year	5	(2,198)	(4,024)
NET CURRENT ASSETS		<u>8,304</u>	<u>5,327</u>
CAPITAL AND RESERVES			
Called up share capital	6	10,000	10,000
Profit and loss account		(9,173)	(9,173)
Sinking fund	7	7,477	4,500
EQUITY SHAREHOLDERS' FUNDS	8	<u>8,304</u>	<u>5,327</u>

These annual accounts have not been audited because the company is entitled to the exemption provided by s249A(1) Companies Act 1985 and no notice under s249B(2) has been deposited at the company's registered office requiring the company to obtain an audit of the accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with s221 Companies Act 1985. The directors also acknowledge their responsibilities for preparing accounts 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 the financial year in accordance with s226 Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 15 October 2002 and signed on their behalf

By:


Director

J Taylor

NOVOBOND INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2001

1. ACCOUNTING POLICIES

(i) Basis of Accounting

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

(ii) Turnover

Turnover, all of which arises in the United Kingdom, consists of contributions from lessees to offset expenditure in accordance with the terms of their leases, namely in respect of repairs and maintenance, cleaning, administration, property insurance, and ground rents.

(iii) Going Concern

The financial statements have been prepared on the going concern basis since the shareholders have indicated their willingness to financially support the company should the need arise.

(iv) Cash flow

The financial statements do not include a cash flow statement because the company as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow statements".

2 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Average number of persons employed (including directors)	2001 No.	2000 No.
Management	1	1
Administration	1	1
	<u>2</u>	<u>2</u>
Staff costs during the year (including directors)	£	£
Wages and salaries	-	-

The directors do not receive remuneration in respect of their services to the company (2000 - £Nil).

NOVOBOND INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (continued)

3 TAX ON LOSS ON ORDINARY ACTIVITIES

	2001	2000
	£	£
United Kingdom corporation (tax)/refunds on bank interest received at 10% (2000 - 20 %)	27	(6)

4 DEBTORS

	2001	2000
	£	£
Lessees balances	1,266	5,504
Shareholders' loans	-	714
Sundry debtors	7,149	1,367
Prepayments	2,003	1,685
	<u>10,418</u>	<u>9,270</u>

5 CREDITORS : amounts falling due within one year

	2001	2000
	£	£
Accruals	2,023	2,258
Sundry creditors	169	1,760
Corporation tax	6	6
	<u>2,198</u>	<u>4,024</u>

6 SHARE CAPITAL

	2001	2000
	£	£
Authorised		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

NOVOBOND INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001 (continued)

7 SINKING FUND

The sinking fund established from lessees' service charges.

	2001	2000
	£	£
Balance at 31.12.2000	4,500	3,000
Lessees' contributions during the year	2,977	1,500
Balance at 31 December 2001	<u>7,477</u>	<u>4,500</u>

8 RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Opening equity shareholders' funds at 31.12.2000	5,327	3,839
Profit/ loss for the financial year after tax	-	(12)
	<u>5,327</u>	<u>3,827</u>
Allocated to sinking fund	2,977	1,500
Closing equity shareholders' funds at 31.12.2001	<u>8,304</u>	<u>5,327</u>