

V.V. Redhill G.P. Limited

Directors' report and financial statements

for the year ended 31 December 2001
Registered number 3242396



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Directors' report and financial statements

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Directors' report

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

Principal activities

The principal activity of V.V. Redhill G.P. Limited is operating and managing V.V. Redhill L.P.

Business review

The 2001 financial year met our expectations. We have every reason to believe that this will also be the case in 2002.

Proposed dividend

No dividend was declared for 2001 (2000: £nil). The profit for the year retained by the company is £12,221 (2000: £12,083).

Directors and directors' interests

The directors who held office during the year were as follows:

Henderson Secretarial Services Limited

Andrew Smith (resigned 11 February 2002)

Patrick Bushnell

Mark Carpenter

Roger Ely

Anthony Underhill (appointed 11 February 2002)

Karl H Kronester

Ute Geipel-Faber

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Directors' report (*continued*)

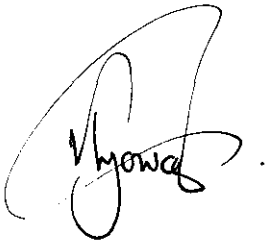
Auditors

Our auditors KPMG have indicated to the directors that their business is to transfer to a limited liability partnership, KPMG LLP. Accordingly, they have indicated their intention to resign as auditors of the company and the directors intend to appoint KPMG LLP to fill the vacancy arising.

Company resolutions

The company passed resolutions, pursuant to Sections 252, 366A and 386 of the Companies Act 1985, to dispense with the requirements to lay annual accounts before an annual general meeting of the company, to hold an annual general meeting and to appoint auditors annually. Pursuant to Section 253(2) of the Companies Act 1985, any member of the company may require the Report and Accounts to be laid before a general meeting by depositing a notice to that effect at the registered office of the company and not later than 28 days after the despatch of the Report and Accounts to members.

By order of the Board



V.V. Redhill G.P. Limited
4 Broadgate
London EC2M 2DA

For and on behalf of
Henderson Secretarial Services Limited

6 June 2002

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 and of the profit or loss for that period. In preparing those 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;
- 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 have general responsibility 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 members of V.V. Redhill G.P. Limited

We have audited the financial statements on pages 5 to 10.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

Basis of audit 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 preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG
Chartered Accountants
Registered Auditors

7 June 2002
London

Profit and loss account
for the year ended 31 December 2001

	<i>Note</i>	2001 £	2000 £
Turnover	<i>1</i>	19,000	19,000
Administrative expenses		(3,251)	(1,976)
Operating profit		<hr/> 15,749	<hr/> 17,024
Interest receivable		1,700	239
Profit on ordinary activities before taxation	<i>2</i>	<hr/> 17,449	<hr/> 17,263
Tax on profit on ordinary activities	<i>5</i>	(5,228)	(5,180)
Profit for the financial year	<i>8</i>	<hr/> <hr/> 12,221	<hr/> <hr/> 12,083

There were no recognised gains or losses during the year, other than those dealt with in the profit and loss account.

There is no difference between operating profit and retained profit for the year and their historical equivalents.

All of the company's operations are of a continuing nature.

Balance sheet
at 31 December 2001

	<i>Note</i>	£	2001 £	£	2000 £
Fixed assets					
Investments	6		-		-
Current assets					
VAT recoverable		487		-	
Cash at bank and in hand		53,049		40,810	
			53,536		40,810
Creditors: amounts falling due within one year					
Loan from VV Redhill LP		15		15	
Corporation tax		5,234		5,179	
Accruals		1,100		650	
			(6,349)		(5,844)
Net current assets			47,187		34,966
Capital and reserves					
Called up share capital	7		1		1
Profit and loss account	8		47,186		34,965
Equity shareholders' funds			47,187		34,966

These financial statements were approved by the board of directors on 6 June 2002 and were signed on its behalf by:



Mark Carpenter
Director

Reconciliation of movements in shareholders' funds
for the year ended 31 December 2001

	2001	2000
	£	£
Profit for the financial year	12,221	12,083
Net addition to shareholders' funds	<u>12,221</u>	<u>12,083</u>
Opening shareholders' funds	34,966	22,883
Closing shareholders' funds	<u>47,187</u>	<u>34,966</u>

Notes

(forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

The company has not consolidated its sole subsidiary undertaking, Orchard Business Centre Redhill Limited, on the grounds of materiality in accordance with Financial Reporting Standard (FRS) 2. The company owns 100% of the share capital of the undertaking, which did not trade during the year.

The company is exempt from the requirement to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under sections 246 and 249 of the Companies Act 1985 when filing accounts with the Registrar of Companies.

Fixed asset investments

Fixed asset investments are valued at cost less amounts written off for diminution in value.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers.

Notes (continued)

2. Profit on ordinary activities before taxation

	2001 £	2000 £
<i>Profit on ordinary activities before taxation is stated after charging :</i>		
Auditor's remuneration:		
In capacity as auditors	750	650
Other services	650	-
	<hr/>	<hr/>

3. Remuneration of directors

None of the directors received any remuneration in the year to 31 December 2001 for their services (2000: £nil).

No emoluments have been waived by any director (2000: £nil).

4. Staff number and costs

The company had no employees during the year to 31 December 2001 (2000: nil).

5. Tax on profit on ordinary activities

	2001 £	2000 £
UK corporation tax at 30% (2000: 30%)	5,234	5,180
Prior year tax adjustment	(6)	-
	<hr/>	<hr/>
	5,228	5,180

6. Fixed asset investments

The company has an investment of 1% in VV Redhill LP for which it acts as General Partner.

The company has a 100% subsidiary Orchard Business Centre Redhill Limited which holds the legal title of the property in VV Redhill LP. The subsidiary does not trade and is held at nil value.

Notes (continued)

7. Called up share capital

	2001	2000
	£	£
<i>Authorised</i>		
Ordinary shares of £1 each	100	100
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	1	1
	<hr/>	<hr/>

8. Profit and loss account

	£
At 1 January 2001	34,965
Profit for the year	12,221
At 31 December 2001	<hr/> 47,186 <hr/>

9. Ultimate parent company and parent undertaking of which the company is a member

The company is a subsidiary undertaking of VV Immobilienverwaltungs GmbH incorporated in the Federal Republic of Germany and registered in Munich.

The largest group in which the results of the company are consolidated is that headed by the Bayerische Hypo- und Vereinsbank AG, incorporated in the Federal Republic of Germany and registered in Munich. The consolidated accounts of this group are available to the public.

The smallest group in which the results of the company are consolidated is that headed by Ergo Trust GP, incorporated in the Federal Republic of Germany and registered in Dusseldorf. The consolidated accounts of this group are available to the public.

Notes (continued)

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	2001 £	2000 £
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