

POUNDSBRIDGE (MOORGATE) LIMITED

Registered Number 03470600

ANNUAL REPORT AND
FINANCIAL STATEMENTS

PERIOD FROM 1 OCTOBER 1998
TO 31 MARCH 2000



POUNDSBRIDGE (MOORGATE) LIMITED**DIRECTORS' REPORT**

The directors submit their annual report together with the financial statements of the company for the period ended 31 March 2000.

RESULTS AND DIVIDENDS

During the period the company continued to hold the freehold interest in 19/23 Moorgate for future development. On 5 June 2000, the company as a limited partner, contributed an interest in the property to the Moorgate Investment Partnership for £7,500,000.

The loss before taxation was £858 (1998: loss - £1,908). The state of affairs at 31 March 2000 is set out in the balance sheet.

DIRECTORS

The directors of the company at 31 March 2000, all of whom were directors throughout the year, except as noted below, were:

M A Bird	(appointed 24 June 1999; resigned 17 March 2000)
G Davies	(resigned 24 June 1999)
M R Griffiths	(appointed 24 June 1999; resigned 31 March 2000)
T Osborne	(resigned 24 June 1999)
J D T Titchen	(appointed 31 March 2000)
R C Williams	(appointed 31 March 2000)

DIRECTORS' INTERESTS

None of the company's directors had any interests in the shares or loan capital of the company, its ultimate parent company, Grosvenor Group Holdings Limited, or any of its fellow subsidiary undertakings required to be disclosed under the Companies Act 1985.

POUNDSBRIDGE (MOORGATE) LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS' RESPONSIBILITIES

The directors have responsibility for preparing 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 period and of the profit or loss for the period.

In preparing the financial statements, the directors are required to ensure that suitable accounting policies are selected and consistently applied, that the judgements and estimates made are reasonable and prudent and that applicable accounting standards are followed.

The directors are also 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 the company's system of internal financial control and for safeguarding the assets of the company and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

The directors have adopted the going concern basis in preparing the financial statements.

AUDITORS

PriceWaterhouseCoopers resigned as auditors on 31 March 2000, and Deloitte & Touche were appointed in their place on 20 November 2000.

Pursuant to S386 of the Companies Act 1985 (as amended by the Companies Act 1989) an elective resolution has been passed to dispense with the requirement to reappoint auditors annually.

By order of the Board



C M Tolhurst
Secretary

24 January 2001

POUNDSBRIDGE (MOORGATE) LIMITED

AUDITORS' REPORT

TO THE MEMBERS OF THE COMPANY

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the report of the directors on page 2, the company's directors are responsible for the preparation of financial statements which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. 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 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 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 affairs of the company as at 31 March 2000 and of the loss for the period from 1 October 1998 to 31 March 2000, and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Deloitte & Touche
Chartered Accountants and Registered Auditors
Hill House
1 Little New Street
London
EC4A 3TR

25 January 2001

POUNDSBRIDGE (MOORGATE) LIMITEDPROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 1 OCTOBER 1998 TO 31 MARCH 2000

	Note	<u>1 October 1998</u> to <u>31 March 2000</u> £	<u>25 November 1997</u> to <u>30 September 1998</u> £
Cost of sales		(333,149)	-
<u>Gross loss</u>		(333,149)	-
Administrative expenses		332,291	(1,908)
<u>Loss on ordinary activities before taxation</u>		(858)	(1,908)
Tax on loss on ordinary activities	3	-	-
<u>Retained loss for the period</u>	8	(858)	(1,908)


The company had no recognised gains or losses in the current or preceding period other than those reported in the profit and loss account.

All activities derive from continuing operations.

POUNDSBRIDGE (MOORGATE) LIMITED
BALANCE SHEET AS AT 31 MARCH 2000

	Note	31 March 2000 £	30 September 1998 £
<u>Current assets</u>			
Development properties		7,500,000	7,405,226
Debtors: amounts falling due within one year	4	-	50,001
Debtors: amounts falling due after one year	4	337,308	-
		<u>7,837,308</u>	<u>7,455,227</u>
<u>Creditors: amounts falling due within one year</u>	5	<u>(7,502,763)</u>	<u>(7,457,134)</u>
<u>Net current assets/(liabilities)</u>		<u>334,545</u>	<u>(1,907)</u>
<u>Creditors: amounts falling due after more than one year</u>	6	<u>(337,310)</u>	-
<u>Net Liabilities</u>		<u>(2,765)</u>	<u>(1,907)</u>
<u>Capital and reserves</u>			
Called up share capital	7	1	1
Profit and loss account	8	<u>(2,766)</u>	<u>(1,908)</u>
<u>Equity shareholders' deficit</u>	9	<u>(2,765)</u>	<u>(1,907)</u>

Approved by the Board on **24** January 2001 and signed on its behalf by:


 R C Williams, Director


 J D T Titchen, Director

POUNDSBRIDGE (MOORGATE) LIMITED**NOTES TO THE FINANCIAL STATEMENTS****1. ACCOUNTING POLICIES****(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with accounting standards applicable in the UK. The company's principal accounting policies are unchanged compared with the period ended 30 September 1998.

The company is a wholly owned subsidiary of Grosvenor Group Holdings Limited, its ultimate parent undertaking, which is incorporated in Great Britain and prepares consolidated financial statements. Consequently, the company is not required to present a cash flow statement.

(b) Development properties

Development properties are stated at the lower of cost and net realisable value. Cost includes the cost of acquisition, professional fees and construction costs but excludes overheads. Sales of development properties are recognised on exchange of contracts or, if exchange is conditional, on the date all material conditions have been satisfied. Credit is not taken for profit during the construction period. Provision is made for foreseeable losses.

In the event that a development property is retained as an investment, it is transferred to the investment portfolio at market value at the date of transfer and any profit and loss dealt with in the profit and loss account.

2. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	Period ended 31 March 2000 £	Period ended 30 September 1998 £
Operating profit/(loss) is arrived at after charging (crediting) the following:-		
Amount written off loans	(337,308)	-
Auditors' remuneration – audit fee	2,500	-
	<u> </u>	<u> </u>

There were no employees other than the directors in the period or preceding period.

No directors received any remuneration for their services as directors (1998 £Nil)

3. TAX CHARGE ON LOSS ON ORDINARY ACTIVITIES

There is no tax charge due to the availability of tax losses.

POUNDSBRIDGE (MOORGATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

4. **DEBTORS**

	31 March <u>2000</u> £	30 September <u>1998</u> £
Amounts falling due within one year:		
Other debtors	-	50,001
Amounts falling due after one year:		
Amount owed by group undertaking	168,654	-
Other debtors	168,654	-
	<u>337,308</u>	<u>-</u>

5. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 March <u>2000</u> £	30 September <u>1998</u> £
Bank Loans and overdrafts	-	7,457,134
Loan from group undertaking	7,500,000	-
Accruals	2,763	-
	<u>7,502,763</u>	<u>7,457,134</u>

6. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31 March <u>2000</u> £	30 September <u>1998</u> £
Other creditors	<u>337,310</u>	<u>-</u>

7. **SHARE CAPITAL**

	31 March <u>2000</u> £	30 September <u>1998</u> £
<u>Authorised:</u>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<u>Allotted, called up and fully paid:</u>		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

POUNDSBRIDGE (MOORGATE) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****8. PROFIT AND LOSS ACCOUNT**

	31 March 2000 £	30 September 1998 £
At 1 October 1998 / 25 November 1997	(1,908)	-
Retained loss for the period	(858)	(1,908)
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At 31 March 2000 / 30 September 1998	(2,766)	(1,908)
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9. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	31 March 2000 £	30 September 1998 £
Loss for the financial period	(858)	(1,908)
Issue of share capital	-	1
	<hr/>	<hr/>
Net decrease in shareholders funds	(858)	(1,907)
Opening shareholders' deficit	(1,907)	-
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Closing shareholders' deficit	(2,765)	(1,907)
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10. ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking is Grosvenor Group Holdings Limited, a company registered in England and Wales, which is wholly owned by trusts and members of the Grosvenor family, headed by the Duke of Westminster.

The ultimate parent undertaking heads the largest group of undertakings of which the company is a member and for which group accounts are prepared. Grosvenor Limited, an intermediate holding company, is the smallest group of undertakings of which the company is a member and for which group accounts are prepared.

Copies of the consolidated financial statements of Grosvenor Group Holdings Limited can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

11. RELATED PARTY TRANSACTIONS

The company has applied the exemption granted by FRS 8 "Related party disclosures" not to disclose transactions with Grosvenor Group Holdings Limited, fellow subsidiaries of Grosvenor Group Holdings Limited or any undertaking in which any member of the group holds an investment which would otherwise qualify as related parties.

Accordingly during the period under review there were no transactions or balances with related parties which require disclosure in these financial statements.