

Company Registration Number: 3864364

WANDSWORTH GP LIMITED

Report and Financial Statements

31 December 2004



WANDSWORTH GP LIMITED

REPORT AND FINANCIAL STATEMENTS 2004

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WANDSWORTH GP LIMITED

REPORT AND FINANCIAL STATEMENTS 2004

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J M Robertson
A Dixon
E Simmons
PT Parkinson

SECRETARY AND REGISTERED OFFICE

J Z Duzniak
Liscartan House
127 Sloane Street
London
SW1X 9BA

SOLICITORS

Linklaters
One Silk Street
London
EC4A 3TR

BANKERS

HSBC Bank Plc
19 Grosvenor Place
Hyde Park Corner
London
SW1X 7HT

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
London

WANDSWORTH GP LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their report and the audited financial statements for the year ended 31 December 2004.

Statement of Directors' Responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the period and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed and
- d) prepare 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 the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REVIEW OF DEVELOPMENTS

The principal activity of the company is that of a General Partner of a UK registered limited partnership, Wandsworth LP. Throughout the year and as at 31 December 2004 the partners were Wandsworth GP Limited, Portfolio Holdings (Investments) L.P., G.O. 1A – Cayman Six Limited, Portfolio Management Partners and AP PHI Investors L.L.C. The company is 50% owned by Portfolio Holdings (Investments) L.P., and 50% owned by DB Real Estate Global Opportunities IA, LP. The purpose of the partnership is to acquire and hold a property located in the United Kingdom. The property was acquired on 8 March 2000.

In the opinion of the Directors of Wandsworth GP Limited, the financial position of the company at the balance sheet date was satisfactory as are the future prospects of the company.

RESULTS AND DIVIDENDS

The company's retained loss for the year of £25,452 (2003: £27,775) has been transferred from reserves, giving a retained loss of £100,751 (2003: £75,299) to be carried forward.

The directors do not recommend the payment of a dividend for the year (2003 year - £nil).

WANDSWORTH GP LIMITED

DIRECTORS' REPORT – (continued)

DIRECTORS AND THEIR INTERESTS

The directors holding office during the year were as follows:

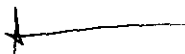
J M Robertson
A Dixon
E Simmons
PT Parkinson

None of the directors held any interest in the share capital of the company.

AUDITORS

It is proposed that Deloitte & Touche LLP be reappointed as auditors to the company.

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



J Z Duzniak

Secretary

Liscartan House
127 Sloane Street
London
SW1X 9BA

25th April 2005

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WANDSWORTH GP LIMITED

We have audited the financial statements of Wandsworth GP Limited for the year ended 31 December 2004, which comprise the profit and loss account, the balance sheet, and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

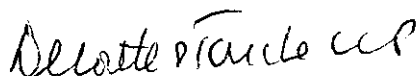
Basis of audit opinion

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 the company's affairs as at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

26/4/2005

WANDSWORTH GP LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 December 2004

	Note	2004 £	2003 £
Share of loss in associate undertaking		(25,613)	(27,909)
Administrative expenses		(29)	(29)
OPERATING LOSS ON ORDINARY ACTIVITIES	2	<u>(25,642)</u>	<u>(27,938)</u>
Interest receivable		190	163
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(25,452)</u>	<u>(27,775)</u>
Taxation	3	-	-
RETAINED LOSS FOR THE FINANCIAL YEAR	8	<u><u>(25,452)</u></u>	<u><u>(27,775)</u></u>

There are no recognised gains or losses in either the current or previous financial years other than those disclosed in the profit and loss account. Accordingly, no statement of total recognised gains and losses is required.

All transactions are derived from continuing operations.

WANDSWORTH GP LIMITED

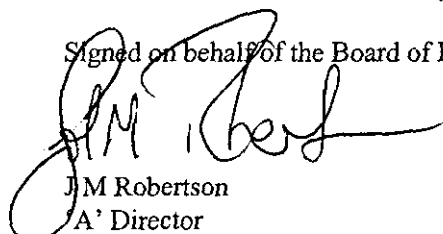
BALANCE SHEET

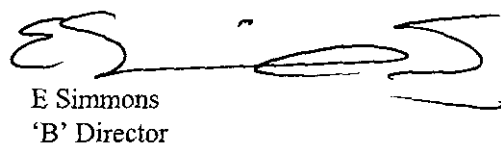
31 December 2004

	Note	2004 £	2003 £
FIXED ASSETS			
Investments	4	275,540	21,535
		<hr/>	<hr/>
CURRENT ASSETS			
Debtors	5	100	100
Cash at bank and in hand		10,758	10,596
		<hr/>	<hr/>
		10,858	10,696
CREDITORS: amounts falling due within one year	6	(9,938)	(9,937)
		<hr/>	<hr/>
NET CURRENT ASSETS		920	759
		<hr/>	<hr/>
NET ASSETS		276,460	22,294
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	7	100	100
Revaluation reserve	8	377,111	97,493
Profit and loss account	8	(100,751)	(75,299)
		<hr/>	<hr/>
EQUITY SHAREHOLDERS' FUNDS		276,460	22,294
		<hr/>	<hr/>

These financial statements were approved by the Board of Directors on 25th April 2005.

Signed on behalf of the Board of Directors


J M Robertson
A' Director


E Simmons
B' Director

WANDSWORTH GP LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

Basis of accounting

The accounts have been prepared under the historical cost convention as modified to include the revaluation of certain fixed assets and in accordance with applicable United Kingdom accounting standards.

Cash Flow Statement

The company has taken advantage of the exemption from preparing a cash flow statement contained in FRS 1 (revised 1996) as it is a small company as defined by the companies legislation.

Investments

Investments are stated at costs less provision for any material impairment. The company has accounted for its participating interest in the partnership under the net equity accounting method.

Consolidated group accounts

The company has taken advantage of the exemption from preparing consolidated accounts contained in FRS 2 as it is the parent of a small group as defined by the companies legislation.

Taxation

Current tax, including UK corporation tax and foreign tax is provided at amounts expected to be paid, or recovered using the tax rates and laws enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. OPERATING LOSS

The company had no employees during the year.

The directors did not receive any remuneration for services to the company during the year.

The audit fees were borne by Wandsworth L.P., in the current and preceding year.

WANDSWORTH GP LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

3. TAXATION

	2004 £	2003 £
Tax charge on loss on ordinary activities is analysed as follows:		
United Kingdom corporation tax at 30%	-	-
Deferred Tax		
Adjustments to the estimated recoverable amounts of		
Deferred tax assets arising in previous periods	(543)	(5,607)
Adjustments in respect of prior years	543	5,607
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

Factors Affecting Tax Charge for the Current Period

The tax assessed for the period is lower than that resulting from applying the standard rate of corporation tax in the UK: 30% (Last period 30%).

	2004 £	2003 £
Loss on ordinary activities before tax	(25,452)	(27,775)
	<hr/>	<hr/>
Tax at 30% thereon:	7,636	8,333
Tax losses not utilised in the period	-	(6,475)
Utilisation of tax losses	735	-
Share of taxable (losses)/profits from partnership	(7,684)	6,515
Share of non taxable profits from partnership	(687)	(8,373)
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

A deferred tax asset has not been recognised in respect of timing differences relating Schedule A carry forward losses as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £22,887 (2003: £23,786). The asset would be recovered if it was regarded as more likely than not that there would be sufficient taxable profits in the immediate future from which the losses could be deducted.

WANDSWORTH GP LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

4. INVESTMENTS

	2004 £	2003 £
Subsidiary undertakings - at cost	1	-
Associated undertakings	275,539	21,535
	<hr/>	<hr/>
	275,540	21,535
	<hr/>	<hr/>

Investment in subsidiary undertakings:

Shares
£

Wandsworth Southside Trustee Limited

1

The company owns 100% of the ordinary share capital of Wandsworth Southside Trustee Limited, a company registered in England and Wales, whose registered office is at 127 Sloane Street, London, SW1X 9BA. The company is entitled to 100% of the profits and losses of the subsidiary undertaking.

Investment in associated undertakings:

2004
£

2003
£

Equity in Wandsworth LP	10	10
Share of loss in Wandsworth LP	(101,582)	(75,968)
Share of revaluation in Wandsworth LP	377,111	97,493
	<hr/>	<hr/>
	275,539	21,535
	<hr/>	<hr/>

The company holds 1% of the equity in Wandsworth LP, a UK registered limited partnership, whose registered office is at 127 Sloane Street, London, SW1X 9BA.

5. DEBTORS

	2004 £	2003 £
Debtors are analysed as follows:		
Shareholder loans	100	100
	<hr/>	<hr/>

WANDSWORTH GP LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 December 2004

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Creditors are analysed as follows:		
Loan from subsidiary undertaking	1	-
Loan from associated undertaking	9,937	9,937
	<hr/>	<hr/>
	9,938	9,937
	<hr/>	<hr/>

7. CALLED UP SHARE CAPITAL

As at 31 December 2004 and 31 December 2003 the authorised share capital of the company comprised 100 ordinary shares of £1 each, comprising 50 'A' shares of £1 each and 50 'B' shares of £1 each, all of which had been issued at par and were fully paid.

8. RESERVES

	Profit and Loss Account	Revaluation Reserve
	£	£
Reserves are analysed as follows:		
Balance as at 1 January 2004	(75,299)	97,493
Retained loss for the year	(25,452)	-
Revaluation for the year	-	279,618
	<hr/>	<hr/>
Balance as at 31 December 2004	(100,751)	377,111
	<hr/>	<hr/>

9. RELATED PARTIES

There were no related party transactions during the year.

10. ULTIMATE PARENT COMPANIES

The company is 50% owned by Portfolio Holdings (Investments) L.P., a limited partnership incorporated in Delaware. The registered offices for this are at c/o Corporation Service Company, 2711 Centreville Road, Suite 400, Wilmington, County of New Castle, Delaware, 19805, USA. The other 50% is owned by DB Real Estate Global Opportunities IA, LP which is a limited partnership whose registered offices are at Corporate Center, West Bay Road, PO Box 31106 SMB, Grand Cayman, Cayman Islands.