

**35 BASINGHALL STREET FIRST LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

31st December 2004

Registered number: 3902915



**35 BASINGHALL STREET FIRST LIMITED**

**REPORT AND FINANCIAL STATEMENTS 31ST DECEMBER 2004**

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## 35 BASINGHALL STREET FIRST LIMITED

### DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 31st December 2004.

#### 1. PRINCIPAL ACTIVITY

It is intended that the company will invest in commercial property in the future. During the financial year under review and the preceding financial year the company did not trade and accordingly a profit and loss account has not been prepared.

#### 2. 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 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 in the financial statements
- prepare the financial statements on the going concern basis unless it is considered 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. The directors have a 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.

#### 3. DIRECTORS

The following served as directors during the year:

H J M Price  
E Doyle  
M F McGann

None of the directors had any interest in the shares of the company during the year.

The interests of Mr Price and Mr McGann in the shares of the ultimate parent company, Pillar Property PLC, are shown in the report and accounts of that company.

The interests of the other directors who held office at the end of the year in the shares of the parent company, Pillar Property PLC are as follows:

	31st December 2004 10p ordinary	31st December 2003 10p ordinary
Mr E Doyle	-	-

#### 4. AUDITORS

A resolution is to be proposed at the Annual General Meeting for the re-appointment of KPMG Audit Plc as auditors of the company.

#### 5. INSURANCE

The company has maintained liability insurance for its directors through a group wide scheme.

Lansdowne House  
Berkeley Square  
London  
W1J 6HQ



By Order of the Board  
P J Martin  
Secretary  
27th July 2005

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
35 BASINGHALL STREET FIRST LIMITED**

We have audited the financial statements on pages 3 and 4.

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 auditor's 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**

The directors are responsible for preparing the directors' report and, as described on page 1, 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.

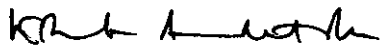
**Basis of audit opinion**

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 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 result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
KPMG Audit Plc  
Chartered Accountants  
Registered Auditor  
London

28 July 2005

**35 BASINGHALL STREET FIRST LIMITED**

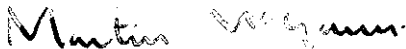
**BALANCE SHEET**

**AS AT 31ST DECEMBER 2004**

		<b>NOTE</b>	<b>2004</b> <b>£</b>	<b>2003</b> <b>£</b>
CURRENT ASSETS	Amount due from parent company		<u>1</u>	<u>1</u>
NET CURRENT ASSETS			<u>1</u>	<u>1</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1</u>	<u>1</u>
NET ASSETS			<u>1</u>	<u>1</u>
CAPITAL AND RESERVES	Called up share capital	<b>3</b>	<u>1</u>	<u>1</u>
SHAREHOLDERS' FUNDS		<b>4</b>	<u>1</u>	<u>1</u>

The company did not trade during the year, or the previous year and consequently received no income and incurred no expenditure.

The financial statements were approved by the Board of Directors on 27th July 2005 and signed on its behalf by:



M F McGann  
Director

# 35 BASINGHALL STREET FIRST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

Accounting Convention	The financial statements have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards and with the Companies Act 1985.
Cash flow statement	Under FRS 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking and the parent company, which is incorporated in Great Britain, prepares a cash flow statement.
Related party transactions	As the company is a wholly owned subsidiary of Pillar Property PLC, the company has taken advantage of the exemption contained in FRS 8 and therefore has not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Pillar Property PLC, within which this company is included, can be obtained from the address in note 5.

### 2. PROFIT AND LOSS ACCOUNT

During the financial year and the preceding financial year, the company did not trade and received no income and incurred no expenditure. Consequently, during those years the company made neither a profit nor a loss. Directors' emoluments and audit fees are both £nil (2003 £nil). The company has no employees (2003 nil).

### 3. CALLED UP SHARE CAPITAL

	2004 £	2003 £
Authorised		
100 ordinary shares of £1 each	100	100
	=====	=====
Issued, allotted, called up and fully paid		
1 ordinary shares of £1	1	1
	=====	=====

### 4. RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS

	2004 £	2003 £
Opening shareholders' funds	1	1
	-----	-----
Closing shareholders' funds	1	1
	=====	=====

### 5. PARENT COMPANY

The immediate parent company is 35 Basinghall Street Ltd, a company incorporated and registered in England and Wales. The ultimate parent company is Pillar Property PLC, a company incorporated and registered in England and Wales. Copies of the financial statements for each company can be obtained from their registered office, Lansdowne House, Berkeley Square, London W1J 6HQ.