

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

SAC GP LIMITED

FOR THE YEAR ENDED 31 MARCH 2006

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Registered No 3934576

SAC GP LIMITED**COMPANY INFORMATION**

REGISTERED NUMBER 3934576

DIRECTORS

Andrew John Martin	(resigned 30 June 2006)
Andrew Dewhirst	(resigned 6 January 2006)
Elizabeth Adams	(resigned 6 January 2006)
Louise Cleary	
Russell Black	(appointed 6 January 2006)

SECRETARY

Hermes Secretariat Limited

AUDITORS

PricewaterhouseCoopers LLP
Southwark Towers
32 London Bridge Street
London
SE1 9SY

COMPANY ADDRESS

Lloyds Chambers
1 Portsoken Street
London
E1 8HZ

SAC GP LIMITED

Directors' Report for the year ended 31 March 2006

The directors present their annual report and the audited financial statements for the year ended 31 March 2006.

Activities

The company is entitled to the first available profits of The Tower Hill Retail Limited Partnership which is engaged in the business of commercial property development and investment. The profit share of the company is limited to a maximum of £5,000 per annum. The company has agreed to waive its entitlement to any share of partnership profits.

During the year the company has acted solely as the General Partner of The Tower Hill Retail Limited Partnership and under the terms of the partnership agreement, dated 4 July 2000, all the costs incurred in acting as the General Partner are to be met by the partnership. These costs have been reflected within the partnership accounts.

Results

The company received no income and incurred no costs during the year as SAC GP Limited has waived its entitlement to receive a profit share from The Tower Hill Retail Limited Partnership. The company has not traded since incorporation, accordingly no profit and loss account is presented.

Dividend

The directors do not recommend the payment of a dividend.

Directors

The directors who served on the Board during the year were as follows:

Andrew John Martin	(resigned 30 June 2006)
Andrew Dewhirst	(resigned 6 January 2006)
Elizabeth Adams	(resigned 6 January 2006)
Louise Cleary	
Russell Black	(appointed 6 January 2006)

None of the directors held any beneficial or family interest in the company during the year.

No director was paid a fee for their services during the year (2005: nil).

Auditors

The company has passed the following elective resolution on 28 January 2005, that pursuant to S386(1) to the Companies Act 1985, the company hereby elects to dispense with the obligation to appoint auditors annually.

Statement of disclosure of information to auditors

As so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. The directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

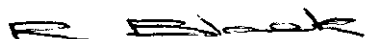
SAC GP LIMITED**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the company's state of affairs as at the end of the financial year and of the profit or loss of the company for the year then ended. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them on a consistent basis;
- make judgements and estimates that are prudent and reasonable;
- confirm that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is not appropriate to presume 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Directors and signed on behalf of the Board.



Director

25/01/2007

SAC GP LIMITED**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAC GP LIMITED**

We have audited the financial statements of SAC GP Limited for the year ended 31 March 2006 which comprise the Balance Sheet and the related notes 1 to 6. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

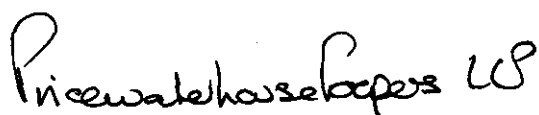
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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.

SAC GP LIMITED**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAC GP LIMITED
(continued)****Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2006;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

25/01/2007

SAC GP LIMITED**BALANCE SHEET AS AT 31 MARCH 2006**

		31 March 2006 £	31 March 2005 £
	Note		
FIXED ASSETS			
Investment	3	<u>1</u>	<u>1</u>
CURRENT ASSETS			
Debtors	4	500	500
CREDITORS - amounts falling due within one year	3	<u>(1)</u>	<u>(1)</u>
NET CURRENT ASSETS		<u>499</u>	<u>499</u>
NET ASSETS		<u>500</u>	<u>500</u>
CAPITAL AND RESERVES			
Call up share capital	4	500	500
Reserves		-	-
EQUITY SHAREHOLDERS' FUNDS		<u>500</u>	<u>500</u>

Approved by the board on
and signed on its behalf by:

25/01/2007



R N BLACK
Director

SAC GP LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared in accordance with applicable Accounting Standards and with the Companies Act 1985. The Financial Statements have been prepared under the historical cost convention using the following principal accounting policies, which have been applied consistently.

Cash Flow Statement

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under Sections 246 to 249 of the Companies Act 1985 when filing accounts with the Registrar of Companies.

2. PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION

All operating costs of the company are incurred and paid on its behalf by the Tower Hill Retail Limited Partnership. The company received no income nor paid any expenses for the year (2005: nil) and accordingly no profit and loss account has been prepared.

3. INVESTMENTS

The company has an investment in the Tower Hill Retail Limited Partnership of £1. To date this amount remains unpaid.

4. SHARE CAPITAL

	2006 £	2005 £
Authorised:		
Ordinary "A" Shares of £1 each	500	500
Ordinary "B" Shares of £1 each	500	500
	<u>1,000</u>	<u>1,000</u>
Allocated and issued:		
Ordinary "A" Shares of £1 each – nil paid	250	250
Ordinary "B" Shares of £1 each – nil paid	250	250
	<u>500</u>	<u>500</u>

The issued share capital has not been paid up.

SAC GP LIMITED**NOTES TO THE ACCOUNTS**FOR THE YEAR ENDED 31 MARCH 2006 *(continued)***5. ULTIMATE PARENT UNDERTAKING**

The directors regard HSBC Bank Plc as trustee for Hermes Property Unit Trust, on exempt unauthorised unit trust and Britel Fund Trustees Limited, as the company's joint ultimate parent undertakings and controlling party. The accounts of both the Hermes Property Unit Trust and Britel Fund Trustees Limited can be obtained from the Registered Office of these companies.

6. RELATED PARTY TRANSACTIONS

SAC GP Limited is the General Partner of Tower Hill Retail Limited Partnership. At 31 March 2006 the following amounts were outstanding:

	2006 £	2005 £
Amounts owed to Tower Hill Retail Limited Partnership	(1)	(1)
Amounts owed by Nextlinks Limited	250	250
Amounts owed by Britel Fund Nominees Limited	250	250