

COMPANY NO. 796621

FLANPROP CO. LIMITED

FINANCIAL STATEMENTS

30 JUNE 2001



ALLIOTTS
Chartered Accountants
9 Kingsway
London WC2B 6XF

FLANPROP CO. LIMITED

DIRECTORS' REPORT

The Directors submit their Report and Accounts for the year ended 30 June 2001.

Statement of Directors' Responsibilities

Company Law requires the directors to prepare accounts 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 of the company for that period. In preparing these accounts, the directors are required to:-

- select suitable accounting policies and apply them consistently;
- make judgements estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts 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.

The directors of the company during the financial year and their interests in shares of the company were:-

		30 June <u>2001</u>	30 June 2000
Leslie Sieff	No. of Shares	1	1
Julius Levinkind	No. of Shares	Nil	Nil

During the above financial year, the company has not traded and there has been no income or expenditure and therefore no change in the company's position has arisen. Any expenses have been met by the directors personally.

SIGNED ON BEHALF OF THE BOARD

Date approved.....17 July 2001.....


Director L. SIEFF

AUDITORS REPORT TO THE MEMBERS OF

FLANPROP CO. LIMITED

We have audited the accounts on page 3.

Respective Responsibilities of Directors and Auditors

As described on page 1 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, of those accounts and to report our opinion to you.

Basis of 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts are free from material mis-statement, whether caused by fraud or other regularities or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 June 2001 and have been properly prepared in accordance with the Companies Act 1985.



ALLIOTTS
Chartered Accountants
Registered Auditors

9 Kingsway
London WC2B 6XF

Date.....19th July.....2001

FLANPROP CO. LIMITED

BALANCE SHEET AS AT 30 JUNE 2001

	<u>2001</u>	<u>2000</u>
Cash	£ <u>2</u>	£ <u>2</u>

REPRESENTED BY:-

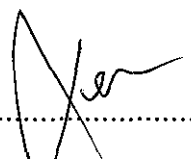
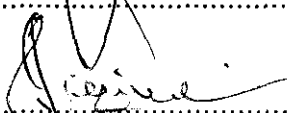
AUTHORISED SHARE CAPITAL

100 Ordinary Shares of £1

SHARE CAPITAL ISSUED AND FULLY PAID

2 Ordinary Shares of £1 £ 2 £ 2

Signed:

L SIEFF )
 J. LEVINKIND ) Directors

Date approved... 17 JULY 2001

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2001

Accounting Policies

The accounts have been prepared under the historical cost convention.