SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

Company No: 1674021

FINANCIAL STATEMENTS

for the year ended

5 APRIL 2001

COHEN ARNOLD & CO
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
LONDON W1S 2HL

L3KH57DE
LD5 0307
COMPANIES HOUSE 11/01/02

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

GOVERNORS (TRUSTEES)

Mr David Reichmann
Mr Dov Reichmann
Mrs A M Reichmann

SECRETARY

Mrs A M Reichmann

REGISTERED OFFICE

13-17 New Burlington Place
Regent Street
London W1S 2HL

AUDITORS

Cohen Arnold & Co
13-17 New Burlington Place
Regent Street
London W1S 2HL

PRINCIPAL BANKERS

Barclays Bank Plc.
Edgware
Middlesex

COMPANY NUMBER

1674021

REGISTERED CHARITY NUMBER

286234

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

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SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

GOVERNORS' (TRUSTEES') REPORT

The Governors (Trustees) have pleasure in presenting their Annual Report together with the Financial Statements of the Company for the year ended 5 April 2001.

LEGAL AND ADMINISTRATIVE INFORMATION

The Company is governed by Memorandum and Articles of Association.

OBJECTIVES, POLICIES AND ORGANISATION OF THE COMPANY

The Company is established to further both in the United Kingdom and abroad those purposes recognised as charitable by English Law. To achieve these objects, the Company utilises its income to make grants, donations and loans for charitable purposes.

The day to day affairs of the Company is administered by the Executive Committee.

REVIEW OF ACTIVITIES

During the year the Company continued its philanthropic activities in support of educational, religious and other Charitable Organisations and the aggregate of donations made was £180,678. No change in activities is envisaged in the immediate future.

RESULTS

The financial results of the Company for the year ended 5 April 2001 are fully reflected in the attached Financial Statements together with the Notes thereon.

FIXED ASSETS

The movements in Fixed Assets are fully reflected in Note 7 to the Financial Statements.

The Company's investment properties are included in the Balance Sheet at market value as disclosed in Note 7 to the Financial Statements.

GOVERNORS (TRUSTEES)

The Governors (Trustees) who served during the year, and who are still in office, are listed hereunder. None of the Governors (Trustees) has any beneficial interest in the Company.

Mr David Reichmann
Mr Dov Reichmann
Mrs A M Reichmann

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

GOVERNORS' (TRUSTEES') REPORT

GOVERNORS' (TRUSTEES') RESPONSIBILITIES

Company law requires the Governors (Trustees) 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 its profit or loss for that period. In preparing the Financial Statements, the Governors (Trustees) are required to:

i) select suitable accounting policies and apply them consistently

ii) make judgements and estimates that are reasonable and prudent

iii) follow applicable accounting standards, subject to any material departures disclosed and explained in the Financial Statements

iv) prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Governors (Trustees) are responsible for maintaining 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.

CLOSE COMPANY

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

AUDITORS

The auditors, Cohen, Arnold & Co, are willing to continue in office and a resolution re-appointing them in accordance with Section 385 of the Companies Act 1985 and authorising the Council to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Council

.....

Mrs A M Reichmann (Secretary)

20th Nov. **2001**

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
YEAR ENDED 5 APRIL 2001

We have audited the financial statements on pages 4 to 11 under the historical cost convention and the accounting polices set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE GOVERNORS AND THE AUDITORS
As described o page 2, the company's governors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom 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 to you if, in our opinion, the governors' 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 governors' remuneration and transactions with the company is not disclosed.

We read the governors' 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 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 governors 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 5 April 2001 and of the results of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Cohen Arnold & Co

COHEN ARNOLD & CO
Chartered Accountants and
Registered Auditors
13 - 17 New Burlington Place
Regent Street
LONDON W1S 2HL

20th November 2001

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

INCOME & EXPENDITURE ACCOUNT
(STATEMENT OF FINANCIAL ACTIVITIES)
FOR THE YEAR ENDED 5 APRIL 2001

	Notes	2001 £	2001 £	2000 £	2000 £
INCOME AND EXPENDITURE					
Incoming Resources					
Continuing Operations - Ongoing:					
Investment Income	1.5,4	19,248		4,925	
Net Rental Income	1.5,3	321,701	340,949	254,792	259,717
Total Incoming Resources			340,949		259,717
Resources Expended					
Direct Charitable Expenditure:					
Grants and Donations		180,678		133,620	
Other Expenditure:					
Interest Payable and Related Costs	5	150,365		81,554	
Management and Administration	6	8,155		3,965	
Total Resources Expended			(339,198)		(219,139)
Net Incoming Resources			1,751		40,578
Surplus on Revaluation of Investment Properties			-		68,000
Net Movement of Funds			1,751		108,578
Total Funds Brought Forward			722,964		614,386
Total Funds Carried Forward			£724,715		£722,964

The notes on pages 7 to 11 form part of these Financial Statements.

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2001

	2001 £	2000 £
Gross Income of Continuing Operations:		
Ongoing	340,949	259,717
Total Income of Continuing Operations	340,949	259,717
Total Expenditure of Continuing Operations	(339,198)	(219,139)
Net Income for the Year	£1,751	£40,578

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 5 APRIL 2001

	2001 £	2000 £
Net Income for the Year	1,751	40,578
Surplus on Revaluation of Investment Properties	-	68,000
Total Recognised Gains Relating to the Year	£1,751	£108,578

The Net Income for the year represents the revenue on an historical cost basis.

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 4 which, together with the notes to the accounts on pages 7 to 11, provides full information on the movements during the year in the funds of the Company. All Income is attributable to Unrestricted Funds.

The notes on pages 7 to 11 form part of these Financial Statements.

SPARQUOTE LIMITED
(LIMITED BY GUARANTEE)

BALANCE SHEET AS AT 5 APRIL 2001

	Notes	2001 £	2001 £	2000 £	2000 £
FIXED ASSETS					
Tangible Assets	7		2,407,962		1,792,086
CURRENT ASSETS					
Debtors	8	29,273		88,241	
Cash at Bank and on Deposit		305,521		34,203	
		334,794		122,444	
CREDITORS: Amounts falling due within one year	9	(255,603)		(162,619)	
NET CURRENT LIABILITIES			79,191		(40,175)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,487,153		1,751,911
CREDITORS: Amounts falling due after more than one year	10		(1,762,438)		(1,028,947)
NET ASSETS			£724,715		£722,964
UNRESTRICTED FUNDS					
Revaluation Reserve	11		396,431		396,431
Charitable Funds	11		328,284		326,533
			£724,715		£722,964

The Financial Statements were approved by the Council on 20 Nov 2001 and signed on its behalf by

.....
MR DAVID REICHMANN

.....
MR DOV REICHMANN

GOVERNORS

The notes on pages 7 to 11 form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2001

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in the preparation of the Company's Financial Statements.

1.1 BASIS OF ACCOUNTING

The Financial Statements have been prepared under the Historical Cost Convention and in accordance with applicable Accounting Standards including Statement of Recommended Practice - Accounting by Charities, (SORP2).

1.2 PROPERTIES HELD FOR INVESTMENT

Properties held for investment are included at Governors' (Trustees') valuation.

1.3 ACQUISITIONS AND DISPOSALS OF PROPERTIES

Acquisitions and Disposals of properties are considered to take place at the date of legal completion and are included in the Financial Statements accordingly.

1.4 DEPRECIATION

Fixed assets are depreciated so as to write off their respective costs over their estimated useful lives.
The rates used are as follows:
Furniture, fittings and Office Equipment 25% Reducing Balance.

1.5 INCOME

This includes income from investments and deposits, rentals received from property assets, and grants and donations received by the Company.

1.6 CASH FLOW STATEMENT

The Company is exempted from the requirement to prepare a Cash Flow Statement (in accordance with Financial Reporting Standard No 1) on the basis of its being a 'small company' as defined by S247 Companies Act 1985.

2. FORMAT OF FINANCIAL STATEMENTS

The Financial Statements are presented in accordance with the format prescribed by Schedule 4 Companies Act 1985 as well as by Statement of Recommended Practice - Accounting by Charities, with suitable adaptation thereof which the Governors (Trustees) consider to be appropriate having regard to the nature of the Company's activities

3. NET RENTAL INCOME

The Net Rental Income is comprised as follows:

	2001 £	2000 £
Rent and Other Charges Receivable	452,412	367,143
Property Outgoings	(130,711)	(112,351)
	£321,701	£254,792

4. INVESTMENT INCOME

	2001	2000
Bank Interest	364	-
Loan Interest (Note 12)	18,884	4,925
	£19,248	£4,925

5. INTEREST PAYABLE AND RELATED COSTS

	2001 £	2000 £
On Mortgage Advances repayable in more than 5 years:		
Bank Loans	143,245	78,900
Costs of Obtaining Finance	7,120	2,654
	£150,365	£81,554

6. MANAGEMENT AND ADMINISTRATION

	2001 £	2000 £
Management Charges	4,000	-
Auditors' Remuneration	2,991	2,235
Legal and Professional Fees	-	689
General Expenses	608	273
Bank Charges	359	505
Depreciation	197	263
	£8,155	£3,965

7. TANGIBLE FIXED ASSETS

	Freehold and Long Leasehold Investment Properties £	Furniture Fittings & Equipment £	Total £
At 6 April 2001	1,791,299	1,400	1,792,699
Acquisitions and Improvements	616,073	-	616,073
At 5 April 2001	£2,407,372	£1,400	£2,408,772
Depreciation:			
At 6 April 2000	-	613	613
Charge for the year	-	197	197
At 5th April 2001	£ -	£810	£810
Net Book Value at 5th April 2001	£2,407,372	£590	£2,407,962
Net Book Value at 5th April 2000	£1,791,299	£787	£1,792,086

7. TANGIBLE FIXED ASSETS (CONT.)

The Investment Properties are stated at Governors' (Trustees') valuation at £2,407,372.

The historical cost of the Company's Investment Properties at 5 April 2001 is £2,010,941. (2000: £1,385,618).

No Provision has been made for any latent liability to Corporation Tax on unrealised surpluses on revaluation of properties as it is anticipated that all realised surpluses will be applied for the benefit of this Company's charitable purposes and that no tax liability will arise.

8. DEBTORS

	2001 £	2000 £
Loan Debtors	-	77,750
Trade Debtors,Other Debtors and Prepayments	29,273	10,215
Income Tax Repayable	-	276
	£29,273	£88,241

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Current Instalments of:		
Term Loans (Note 10)	106,796	50,522
Rent Charged in Advance	44,373	35,032
Rental Deposits	91,526	72,134
Other Creditors and Accruals	12,908	4,931
	£255,603	£162,619

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Interest Rates	2001 £	2000 £
Bank Loans			
Amounts repayable after five years:			
Instalments terminating in 2008	8.18%	53,796	56,450
Instalments terminating in 2012	9.25%	516,983	542,418
Instalments terminating in 2013	8.48%	210,940	221,000
Instalments terminating in 2013	8.01%	1,087,515	259,601
		1,869,234	1,079,469
Less: Amounts repayable within one year		(106,796)	(50,522)
		£1,762,438	£1,028,947

The loans are secured by fixed legal charges over the Company's freehold and Long Leasehold properties and a floating charge over the company's other assets.

11. UNRESTRICTED FUNDS

	Revaluation Reserve £	Charitable Funds £	Total Funds £
Balance at 6 April 2000	396,431	326,533	722,964
Net Income for the Year	-	1,751	1,751
Balance at 5 April 2001	£396,431	£328,284	£724,715

12. RELATED PARTY TRANSACTIONS

£18,180 was received from Reichman Properties Limited as rent for use of one of the properties held by Sparquote Limited. During the year, the Loan due from the aforementioned Company was repaid before the end of the year. The Loan was charged interest at 1½% over the base rate.

Mr David Reichman and Mr Dov Reichman, Governors of this company are also Directors of Reichman Properties Limited and Mr David Reichman holds 33% of the issued Share Capital of Reichman Properties Limited.

13. CONTROLLING PARTY

The Company has no controlling Party.