

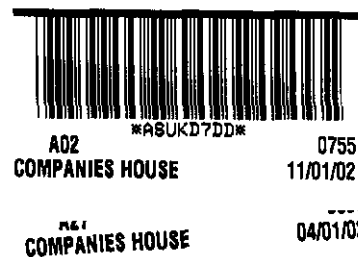
GREENLINE PROPERTIES LIMITED

Company No: 3969721

FINANCIAL STATEMENTS

for the period

11 APRIL 2000 TO 31ST MARCH 2001



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

GREENLINE PROPERTIES LIMITED

DIRECTOR

Mr C Breisch
Mrs R Breisch

SECRETARY

Mrs R Breisch

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

GREENLINE PROPERTIES LIMITED

INDEX TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 11 APRIL 2000 TO 31 MARCH 2001

Page

1 - 2	Directors' Report
3	Accountants' Report
4	Profit and Loss Account
5 - 6	Balance Sheet
7 - 10	Notes to the Financial Statements

GREENLINE PROPERTIES LIMITED

DIRECTOR'S REPORT

The Directors have pleasure in presenting the first Annual Report together with the Financial Statements of the company for the period 11th April 2000 (Date of Incorporation) to 31st March 2001.

BUSINESS REVIEW

The Company was incorporated on 11th April 2001, its principal activity being that of Property Investment which commenced on 2nd May 2000. No change is envisaged in the immediate future.

RESULTS AND DIVIDEND

The financial results of the Company's activities for the period ended 31st March 2001 are fully reflected in the attached Financial Statements together with the Notes thereon.

The Directors do not recommend a payment of a dividend for the period under review.

LAND AND BUILDINGS

The Company's Investment in a Property Joint Venture is included in the Balance Sheet at cost.

The Director is of the opinion that the open market value of the Company's Investment is at least equal to the amount at which it is included in the Financial Statements.

DIRECTORS AND THEIR INTEREST IN SHARE CAPITAL

The Directors who served during the period and their interest in the share capital of the company are as follows:

	Number of Ordinary Shares
Mr C Breisch	1
Mrs R Breisch	1

The Articles of Association do not require the Directors to retire by rotation.

The Director does not have a Service Contract with the Company.

DIRECTOR'S 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 its profit or loss for that period. In preparing the Financial Statements, the Directors 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

GREENLINE PROPERTIES LIMITED

DIRECTORS' REPORT

DIRECTOR'S RESPONSIBILITIES (Cont'd)

- iv) prepare the 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 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.

DONATIONS

During the period the Company made no charitable donation nor political contribution.

CLOSE COMPANY

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

AUDITORS

The auditors, Cohen, Arnold & Co, who were appointed during the period 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 board to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Board



.....
Mrs R Breisch - Secretary

Ch 2001.
20th December

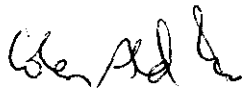
ACCOUNTANTS' REPORT TO THE DIRECTORS

OF

GREENLINE PROPERTIES LIMITED

As described on the Balance Sheet you are responsible for the preparation of the Financial Statements for the period ended 31 March 2001, and you consider that the company is exempt from an audit and a report under section 249A(1) of the Companies Act 1985.

In accordance with your instructions we have compiled these unaudited accounts from the accounting records and information and explanations supplied to us.



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

 2001

GREENLINE PROPERTIES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD FROM 11TH APRIL 2000 TO 31ST MARCH 2001

	Notes	£
Turnover	3	(78)
Administrative and other Expenses	4	(1,051)
OPERATING LOSS FOR THE PERIOD		(1,129)
Interest Payable and Similar Charges	5	(8,758)
LOSS FOR THE FINANCIAL PERIOD BEFORE TAXATION		(9,887)
Taxation	6	-
LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION		£(9,887)

The Company's activities commenced during the period. No activities were discontinued during the period.

The Company has no recognised gains or losses other than those reflected in the above Profit and Loss Account for the financial period.

The notes on page 7 to 10 form part of these financial statements.

GREENLINE PROPERTIES LIMITED

BALANCE SHEET AS AT 31 MARCH 2001

	Notes	£	£
FIXED ASSETS			
Investments	7		25,382
CURRENT ASSETS			
Debtors	8	2	
CREDITORS: Amounts falling due within one year	9	(35,269)	
NET CURRENT LIABILITIES			(35,267)
NET ASSETS			£(9,885)
CAPITAL AND RESERVES			
Called up Share Capital	10	2	
Profit and Loss Account - Adverse Balance			(9,887)
			£(9,885)

The immediately following page forms part of these Financial Statements.

GREENLINE PROPERTIES LIMITED

BALANCE SHEET AS AT 31 MARCH 2001

The Director confirms that for the period ended 31st March 2001 the Company is entitled to exemption from audit under the provisions of Section 249A (1) Companies Act 1985 (the Act) and that no member or members have requested an audit pursuant to the provisions of Section 249B (2) of the Act.

The Directors acknowledge their responsibility for ensuring that the Company maintains accounting records which comply with Section 221 of the Act and for preparing Accounts which give a true and fair view of the state of affairs of the Company at the end of its Financial Period and of its results for the Financial Period in accordance with the provisions of Section 226 of the Act and which otherwise comply with the requirements of the Act relating to Financial Statements.

The Financial Statements were approved by the Board on 20th December.....2001 and signed on its behalf by

Ch Breisch
.....
MR C BREISCH

DIRECTOR

The notes on pages 7 to 10 form part of these Financial Statements.

GREENLINE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 11 APRIL 2000 TO 31ST MARCH 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.

1.2 INVESTMENT

Investments held as fixed assets are stated at cost less any provision for permanent diminution in value.

1.3 DEPRECIATION

In accordance with Statement of Standard Accounting Practice No. 19, no depreciation is provided in respect of Freehold investment property. This departure from the requirements of the Companies Act 1985, for all properties to be depreciated, is necessary, as the Director considers that this Accounting Policy results in the Financial Statements giving a true and fair view.

1.4 ACQUISITION OF PROPERTIES

Acquisition is considered to have taken place at the date of legal completion.

1.5 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 Section 247 Companies Act 1985.

1.6 JOINT VENTURE PROJECT

The Company has proportionate interest in a property investment and details of it's interest are shown in Note 7.

GREENLINE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 11 APRIL 2000 TO 31ST MARCH 2001

2. FORMAT OF FINANCIAL STATEMENTS

The Financial Statements are presented in accordance with the format prescribed by Schedule 4 Companies Act 1985 with suitable adaptation thereof which the Directors consider to be appropriate having regard to the nature of the Company's activities.

3. TURNOVER AND NET RENTAL INCOME

The Turnover of the Company is represented by the net rental deficit from the Company's interest in a property syndicate. (See note 7)

4. ADMINISTRATIVE EXPENSES

	<u>Period from</u> <u>11 April 2000 to</u> <u>31st March 2001</u> £
Accountancy Fees	940
General Expenses	111
	£1,051

5. INTEREST PAYABLE AND RELATED COSTS

	<u>Period from</u> <u>11 April 2000 to</u> <u>31st March 2001</u> £
Loan Interest	6,933
Finance Costs	1,825
	£8,758

GREENLINE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 11 APRIL 2000 TO 31ST MARCH 2001

6. TAXATION

**Period from
11th April 2000 to
31st March 2001
£**

Provision for the year

£Nil

7. FIXED ASSET INVESTMENTS

The underlying assets and liabilities making up the investments in the Joint Venture at Balance Sheet date was as follows:

**Hillside
Estates**

Share of JV Interest

25%

£

Balance Sheet

Share of Net Assets

88,893

Share of Bank Loans

(61,450)

Share of Net Assets

27,443

Loan Received

(2,061)

Investment in Joint Venture

£25,382

8. DEBTORS

£

Other Debtors

2

£2

GREENLINE PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 11 APRIL 2000 TO 31ST MARCH 2001

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>£</u>
Loan Creditor	32,000
Other Creditors and Accruals	3,269
	£35,269

The Loan Creditor is unsecured and bears interest at 8% per annum. The Creditor, Bala Investments Limited, is under the control of Mr M Oestreicher the father of Mrs R Breisch.

10. SHARE CAPITAL

Authorised:

1000 Ordinary Shares of £1 each	£1000

Issued and Fully Paid:

100 Ordinary Share of £1 each	£2

11. CONTROLLING PARTY

The Company was controlled throughout the period by Mr C Breisch and Mrs R Breisch the Directors of the Company.