

COMPANY NUMBER 1420321

PELHAMWALK LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2000



ENSORS

Chartered Accountants & Registered Auditors
46 St Nicholas Street
IPSWICH
IP1 1TT

PELHAMWALK LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2000

The director has pleasure in presenting his report and the financial statements of the company for the year ended 31 March 2000.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of a holding company.

The results for the year and the financial position at the year end were considered satisfactory by the director.

FUTURE DEVELOPMENTS

The company continues to be a holding company.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The director has not recommended a dividend.

THE DIRECTOR AND HIS INTERESTS IN SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests, including family holdings, in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At 31 March 2000	At 1 April 1999
C A Faine	<u>100</u>	<u>100</u>

DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss for the year then ended.

In preparing those financial statements, the director is required to:

select suitable accounting policies, as described on page 7, and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

comply with applicable accounting standards 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 inappropriate to presume that the company will continue in business.

PELHAMWALK LTD

DIRECTOR'S REPORT *(continued)*

FOR THE YEAR ENDED 31 MARCH 2000

DIRECTOR'S RESPONSIBILITIES *(continued)*

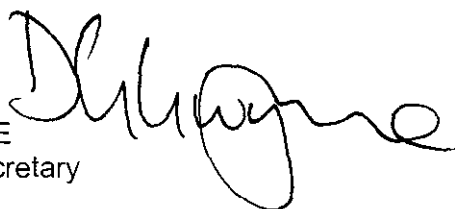
The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. The director is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution to re-appoint Ensors as auditors will be put to the members at the annual general meeting.

Signed by order of the board24 January, 2001

D G GWYNNE
Company Secretary

A handwritten signature in black ink, appearing to read 'D G Gwynne', written over the printed name and title.

PELHAMWALK LTD

AUDITORS' REPORT TO THE SHAREHOLDERS

FOR THE YEAR ENDED 31 MARCH 2000

We have audited the financial statements on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITORS

As described on pages 1 to 2, the company's director is responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the director 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 March 2000 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



ENSORS
Chartered Accountants
& Registered Auditors

IPSWICH

24 January 2001

PELHAMWALK LTD**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2000**

	Note	2000 £	1999 £
TURNOVER		-	-
Administrative expenses		519	(6,900)
OPERATING PROFIT/(LOSS)	2	519	(6,900)
Debt written off	7	-	(78,627)
		519	(85,527)
Income from fixed asset investments	4	-	1,000,000
Interest receivable		332	298
Amounts written off investments	5	(842)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		9	914,771
Tax on profit on ordinary activities	6	-	(199,960)
RETAINED PROFIT FOR THE FINANCIAL YEAR		9	714,811
Balance brought forward		820,477	105,666
Balance carried forward		820,486	820,477

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 7 to 14 form part of these financial statements.

PELHAMWALK LTD

BALANCE SHEET

AS AT 31 MARCH 2000

	Note	2000 £	1999 £
FIXED ASSETS			
Tangible assets	8	1,200	1,579
Investments	9	814,802	815,644
		<u>816,002</u>	<u>817,223</u>
CURRENT ASSETS			
Debtors	10	74,278	114,700
Cash at bank		10,336	10,927
		<u>84,614</u>	<u>125,627</u>
CREDITORS: Amounts falling due within one year	11	(80,030)	(122,273)
NET CURRENT ASSETS		<u>4,584</u>	<u>3,354</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>820,586</u>	<u>820,577</u>
CAPITAL AND RESERVES			
Called-up equity share capital	13	100	100
Profit and loss account		820,486	820,477
SHAREHOLDERS' FUNDS	14	<u>820,586</u>	<u>820,577</u>

Shareholders' funds are fully attributable to equity interests

By order of the board 24 January 2001

C A FAINE
Director

The notes on pages 7 to 14 form part of these financial statements.

PELHAMWALK LTD**CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 MARCH 2000**

	Note	2000 £	1999 £
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES	15	(652)	(1,388)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Income from participating interests		-	800,000
Interest received		332	298
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		332	800,298
TAXATION		-	924
CAPITAL EXPENDITURE			
ACQUISITIONS AND DISPOSALS			
Acquisition of shares in group undertakings		-	(800,000)
NET CASH OUTFLOW FROM ACQUISITIONS AND DISPOSALS		-	(800,000)
DECREASE IN CASH	16	(320)	(166)

PELHAMWALK LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Consolidation

In the opinion of the director, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Depreciation

Depreciation is calculated to write off the cost, less estimated residual value of fixed assets, over their estimated useful lives as follows:

Fixtures & Fittings	- 20% reducing balance
Motor Vehicles	- 25% reducing balance

Deferred taxation

Deferred taxation is provided on the liability method on all short term timing differences. Provision is also made for long term timing differences except for those which are not expected to reverse in the future at the rates of tax expected to apply when the timing differences reverse.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Investments

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

PELHAMWALK LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

2. OPERATING PROFIT/LOSS

Operating profit/loss is stated after charging/(crediting):

	2000	1999
	£	£
Director's Emoluments	-	-
Depreciation	379	502
Auditors' remuneration		
- as auditors	(1,275)	2,145
Net loss on foreign currency translation	<u>271</u>	<u>98</u>

3. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2000	1999
	No.	No.
Number of management staff	<u>2</u>	<u>2</u>

No salaries or wages have been paid to employees, including the director, during the year.

During the year no right to subscribe for shares in the company or any other group company was granted to or exercised by the director.

4. INCOME FROM FIXED ASSET INVESTMENTS

	2000	1999
	£	£
Income from participating interest	<u>-</u>	<u>1,000,000</u>

5. AMOUNTS WRITTEN OFF INVESTMENTS

	2000	1999
	£	£
Amount written off investments	<u>842</u>	<u>-</u>

PELHAMWALK LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000 £	1999 £
In respect of the year:		
Corporation tax	-	-
Tax credits attaching to FII	-	200,000
	<u>-</u>	<u>200,000</u>
Adjustment in respect of previous years:		
Corporation tax	-	(40)
	<u>-</u>	<u>199,960</u>

Deferred taxation

No provision is required for deferred taxation as all timing differences arising from capital allowances are covered by taxation losses carried forward, which amount to approximately £4,200.

7. EXCEPTIONAL ITEM

A debtor due from a related party was written off during the year ended 31 March 1999 as explained in note 11.

8. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Motor Vehicles £	Total £
COST			
At 1 April 1999 and 31 March 2000	<u>9,121</u>	<u>23,000</u>	<u>32,121</u>
DEPRECIATION			
At 1 April 1999	8,819	21,723	30,542
Charge for the year	60	319	379
At 31 March 2000	<u>8,879</u>	<u>22,042</u>	<u>30,921</u>
NET BOOK VALUE			
At 31 March 2000	<u>242</u>	<u>958</u>	<u>1,200</u>
At 31 March 1999	<u>302</u>	<u>1,277</u>	<u>1,579</u>

PELHAMWALK LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

9. INVESTMENTS

	Shares in Group Investments Undertaking	Unlisted Investments	Total
	£	£	£
COST			
At 1 April 1999 and 31 March 2000	<u>800,002</u>	<u>15,642</u>	<u>815,644</u>
AMOUNTS WRITTEN OFF			
Written off in year	<u>-</u>	<u>842</u>	<u>842</u>
At 31 March 2000	<u>-</u>	<u>842</u>	<u>842</u>
NET BOOK VALUE			
At 31 March 2000	<u>800,002</u>	<u>14,800</u>	<u>814,802</u>
At 31 March 1999	<u>800,002</u>	<u>15,642</u>	<u>815,644</u>

PELHAMWALK LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

9. INVESTMENTS *(continued)*

Name of subsidiary company	Holding (ordinary shares)	Proportion held	Aggregate capital & reserves at 31.03.00 £	(Loss) for the year ended 31.03.00 £
Abbeygate Developments Ltd	2,503 Shares	90.5%	706,324	(157,790)

The directors confirm that there is no requirement for the company to contribute to the deficiency of assets of the above company.

Abbeygate Developments hold 100% of the ordinary share capital of the following companies.

Abbeygate Developments (Campbell Park)Ltd
Abbeygate Developments (Dunstable) Ltd
Abbeygate Developments (Winterhill 1) Ltd
Abbeygate Developments (Luton) Ltd
Abbeygate Developments (Ipswich) Ltd
Abbeygate Developments (Brinklow) Ltd
Abbeygate Developments (Winterhill) Ltd
Abbeygate Developments (Witan Gate) Ltd
Abbeygate Developments (Grafton Gate 2)
Abbeygate Developments (Copdock Mill) Ltd
Abbeygate Developments (Bouverie Square) Ltd
Abbeygate Developments (Grafton Gate) Ltd
Abbeygate Developments (Kingston) Ltd
Abbeygate Developments (Dunstable 2) Ltd
Abbeygate Developments (Tongwell) Ltd
Abbeygate Developments (Marlborough Gate) Ltd
Abbeygate Developments (Regent Street) Ltd

The nature of the business of the above companies is that of property development.

Fenshelf 73 Ltd

The nature of the business of Fenshelf 73 Ltd is to hold and maintain property.

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

PELHAMWALK LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

10. DEBTORS

	2000	1999
	£	£
Amounts owed by group undertakings	<u>74,278</u>	<u>114,700</u>

11. CREDITORS: Amounts falling due within one year

	2000	1999
	£	£
Amounts owed to group undertakings	80,000	80,000
Other creditors	-	40,422
Accruals and deferred income	<u>30</u>	<u>1,851</u>
	<u>80,030</u>	<u>122,273</u>

12. RELATED PARTY TRANSACTIONS

The company is controlled by Mr C A Faine by virtue of his shareholding.

Other creditors includes £nil (1999:£8,931) due to Mr C A Faine and £nil (1999:£20,190) due to Mrs C E Faine.

At the year end the following balances were due (to)/from related parties.

Name of related Party	Nature of relationship	Debtor/(Creditor) balance	
		2000 £	1999 £
Abbeygate Developments Ltd	Subsidiary Company	74,278	114,700
Abbeygate Developments (Ipswich) Ltd	Subsidiary Company	(80,000)	(80,000)

During the year audit fees of £2,115 (1999:£nil) were borne by Abbeygate Developments Ltd.

During the year ended 31 March 1999 a debtor due from Abbeygate Properties Ltd (of which C A Faine was a director until 18 March 1999) of £78,627 was written off to the Profit and Loss Account.

PELHAMWALK LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

13. SHARE CAPITAL

Authorised share capital:

	2000	1999
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2000	1999
	£	£
Ordinary share capital	<u>100</u>	<u>100</u>

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Ordinary share capital £	Profit & Loss Account £	Total £
Balance at 1 April 1998	100	105,666	105,766
Profit for the financial year	-	714,811	714,811
	<u>100</u>	<u>820,477</u>	<u>820,577</u>
Balance at 31 March 1999	100	820,477	820,577
Profit for the financial year	-	9	9
	<u>100</u>	<u>820,486</u>	<u>820,586</u>
Balance at 31 March 2000	100	820,486	820,586

15. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2000	1999
	£	£
Operating profit/(loss)	519	(6,900)
Depreciation	379	502
Decrease in debtors	40,422	5,000
Decrease in creditors	(42,243)	(88)
Loss on foreign currency retranslation of cash at bank	271	98
	<u>(652)</u>	<u>(1,388)</u>
Net cash (outflow)/inflow from operating activities	(652)	(1,388)

PELHAMWALK LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000

16. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2000	1999
	£	£
Decrease in cash in the period	(320)	(166)
Translation differences	(271)	(98)
Movement in net funds in the period	<u>(591)</u>	<u>(264)</u>
Net funds at 1 April 1999	10,927	11,191
Net funds at 31 March 2000	<u>10,336</u>	<u>10,927</u>

17. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Apr 1999	Cash flows	Exchange movement	At 31 Mar 2000
	£	£	£	£
Net cash:				
Cash in hand and at bank	10,927	(862)	271	10,336
Net funds	<u>10,927</u>	<u>(862)</u>	<u>271</u>	<u>10,336</u>