

BRIDGEWATER INVESTMENTS LIMITED

FINANCIAL STATEMENTS

30TH JUNE 2000

Registered number: 3209708



JOHN A TUFFIN & CO

CHARTERED ACCOUNTANTS

BRIGHTON, BN1 1AD

BRIDGEWATER INVESTMENTS LIMITED

FINANCIAL STATEMENTS

for the year ended 30th June 2000

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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BRIDGEWATER INVESTMENTS LIMITED

COMPANY INFORMATION

30th June 2000

INCORPORATED	in England and Wales on 7th June 1996.
NUMBER	3209708
DIRECTORS	Mr G Hamza Mr F Sobhanpanah
SECRETARY	Mr G Hamza
REGISTERED OFFICE	12-13 Ship Street Brighton East Sussex BN1 1AD
BANKERS	HSBC Bank Plc 153 North Street Brighton East Sussex BN1 1SW
ACCOUNTANTS	John A Tuffin & Co Chartered Accountants 12/13 Ship Street Brighton BN1 1AD

BRIDGEWATER INVESTMENTS LIMITED

DIRECTORS' REPORT

30th June 2000

The directors present their report and the financial statements for the year ended 30th June 2000.

Principal activity

The principal activity of the company throughout the year was that of property management and investment.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	30th June 2000 Ordinary shares	1st July 1999 Ordinary shares
Mr G Hamza	30	30
Mr F Sobhanpanah	40	40

Immediate family of Mr G Hamza and Mr F Sobhanpanah held 20 ordinary shares and 10 ordinary shares respectively as at the 30th June 2000.

Small company exemptions

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



Mr G Hamza
Secretary

14.08.01

Date

BRIDGEWATER INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 30th June 2000

	Note	2000 £	1999 £
Turnover	2	4,048	4,024
Net operating expenses			
Administrative expenses		(36,905)	(4,005)
Operating (loss)/profit	3	(32,857)	19
Interest payable	4	(5,054)	(12)
(Loss)/profit on ordinary activities before taxation		(37,911)	7
Taxation	5	204	(204)
Loss on ordinary activities after taxation		(37,707)	(197)
retained for the year	11		

Movements in reserves are shown in note 11.

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains and losses in 2000 or 1999 other than the loss for the year.

BRIDGEWATER INVESTMENTS LIMITED

BALANCE SHEET

at 30th June 2000

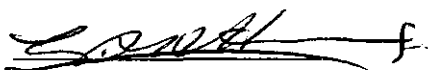
	Note	2000		1999	
		£	£	£	£
Fixed assets					
Tangible assets	6		131,786		88,647
Current assets					
Debtors	7	3,568		-	
Cash at bank and in hand		51		122	
		3,619		122	
Creditors: amounts falling due within one year	8	(173,371)		(89,028)	
Net current liabilities			(169,752)		(88,906)
Total assets less current liabilities			(37,966)		(259)
Capital and reserves					
Called up share capital	10		100		100
Profit and loss account	11		(38,066)		(359)
Total shareholders' funds	9		(37,966)		(259)

The directors consider that for the year ended 30th June 2000 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing financial statements 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 4 to 9 were approved by the board of directors and signed on its behalf by:



Mr G Hamza
Director



Mr F Sobhanpanah
Director

14.08.01

Date

BRIDGEWATER INVESTMENTS LIMITED

NOTES ON FINANCIAL STATEMENTS

30th June 2000

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of services falling within the company's activities.

Tangible fixed assets

No depreciation is provided on investment properties in accordance with SSAP 19.

The directors are of the opinion that the market value of the company's investment properties is in excess of the net book amount but, in the absence of a recent valuation, the amount of the excess is not quantified.

2 Turnover

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK (1999 nil).

3 Operating (loss)/profit

	2000 £	1999 £
Operating (loss)/profit is stated after charging:		
Loss on sale of assets	-	940

4 Interest payable

	2000 £	1999 £
Bank interest	-	12
Interest on court judgement	5,054	-
	5,054	12

5 Taxation

	2000 £	1999 £
UK Corporation tax:		
Current tax on income for the period at 21% & 20% (1999 21% & 20%)	(204)	204

BRIDGEWATER INVESTMENTS LIMITED

NOTES ON FINANCIAL STATEMENTS

30th June 2000

6 Tangible fixed assets

	Land and Buildings £
Cost	
1st July 1999	88,647
Additions	46,139
Disposals	(3,000)
30th June 2000	<u>131,786</u>
Net book amount	
30th June 2000	<u>131,786</u>
1st July 1999	<u>88,647</u>

7 Debtors

	2000 £	1999 £
Amounts falling due within one year		
Rents receivable	3,326	-
Corporation tax	204	-
Other debtors	38	-
	<u>3,568</u>	<u>-</u>

8 Creditors: amounts falling due within one year

	2000 £	1999 £
Amounts owed to associated company	13,000	4,450
Corporation tax	-	204
Directors current account	103,371	83,404
Other creditors	57,000	970
	<u>173,371</u>	<u>89,028</u>

9 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Loss for the financial year representing a Net subtraction from shareholders' funds	(37,707)	(197)
Opening shareholders' funds	<u>(259)</u>	<u>(62)</u>
Closing shareholders' funds	<u>(37,966)</u>	<u>(259)</u>

BRIDGEWATER INVESTMENTS LIMITED
NOTES ON FINANCIAL STATEMENTS
30th June 2000

10 Called up share capital

	2000		1999	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	100	100	100	100
Allotted, called up and fully paid				
Ordinary shares of £1 each	100	100	100	100

11 Profit and loss account

	2000 £
1st July 1999	(359)
Retained loss for the year	(37,707)
30th June 2000	(38,066)

12 Legal proceedings

Legal action was brought against Bridgewater Investments Limited and the previous landlords by a tenant of one of the company's freehold properties.

Bridgewater Investments Limited purchased the freehold property on the 30th September 1996 unaware of a dispute between the leaseholders and the previous freeholders. The dispute arose when the previous landlords converted the property into 3 flats shortly before the leaseholders purchased their leases. The conversion was not successful and left the premises with inadequate ventilation, insufficient damp-proofing, leaking roof and defective windows. Although not a party to the dispute originally, Bridgewater Investments Limited was named in the legal proceedings as a defendant by virtue of their current ownership.

General and special damages, together with costs of remaining internal works as a result of disrepair, were awarded against Bridgewater Investments Ltd totalling £12,135 for the period 30th September 1996 to the date of the court order. The company was also ordered to pay the leaseholder's costs of the trial. The pre-trial costs paid by the company have been apportioned in the financial accounts between those relating to the previous landlords and those relating to the company itself. This apportionment was calculated by reference to the damages awarded against each defendant. The pre-trial costs apportioned to the previous leaseholders have been capitalised in the accounts as they represent an additional cost incurred but then unidentified at the date of purchasing the freehold.

A contingent liability exists for a further claim by a separate leaseholder for damages for disrepair, inconvenience and discomfort. This leaseholder originally only claimed damages against the previous landlords, although Bridgewater Investments Limited were ordered to pay the trial costs. The damages now claimed by the tenant for the period from 30 September 1996 are in the region of £17,000 plus interest. The company is currently taking legal advice in respect of this claim, and no provision has been made in the accounts.

BRIDGEWATER INVESTMENTS LIMITED

NOTES ON FINANCIAL STATEMENTS

30th June 2000

13 Associated companies

Creditors include amounts due to an associated company as at 30 June 2000 totalling £13,000 (1999 £4,450). Both companies are under common control.