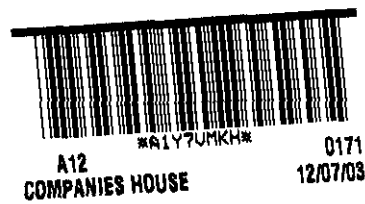


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Report of the Directors and
Financial Statements
for the Year Ended 31 December 2002
for
Bridgewater Investments Limited



Bridgewater Investments Limited

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for the Year Ended 31 December 2002

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} NOT INCLUDED

Bridgewater Investments Limited

Company Information
for the Year Ended 31 December 2002

DIRECTORS: F Sobhanpanah
G Hamza

JOINT SECRETARIES: G Hamza
F Sobhanpanah

REGISTERED OFFICE: 12-13 Ship Street
Brighton
East Sussex
BN1 1AD

REGISTERED NUMBER: 3209708 (England and Wales)

ACCOUNTANTS: JOHN A TUFFIN & CO
12/13 Ship Street
Brighton
East Sussex
BN1 1AD

BANKERS: HSBC
153 North Street
Brighton
Sussex
BN1 1SW

Bridgewater Investments Limited

Report of the Directors
for the Year Ended 31 December 2002

The directors present their report with the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property management and investment.

DIRECTORS

The directors during the year under review were:

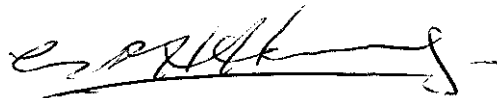
F Sobhanpanah
G Hamza

The beneficial interests of the directors holding office on 31 December 2002 in the issued share capital of the company were as follows:

	31.12.02	1.1.02
Ordinary £1 shares		
F Sobhanpanah	50	50
G Hamza	50	50

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

ON BEHALF OF THE BOARD:



G Hamza - SECRETARY

Dated: 20/06/03

Bridgewater Investments Limited

Profit and Loss Account
for the Year Ended 31 December 2002

		Year Ended 31.12.02 £	Period 1.7.00 to 31.12.01 £
	Notes		
TURNOVER	2	2,657	6,053
Administrative expenses		<u>17,907</u>	<u>40,383</u>
		(15,250)	(34,330)
Other operating income		<u>606</u>	<u>13,706</u>
OPERATING LOSS	3	(14,644)	(20,624)
Interest receivable and similar income		<u>-</u>	<u>10</u>
		(14,644)	(20,614)
Interest payable and similar charges		<u>-</u>	<u>2</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(14,644)	(20,616)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(14,644)	(20,616)
Deficit brought forward		<u>(58,682)</u>	<u>(38,066)</u>
DEFICIT CARRIED FORWARD		<u>£(73,326)</u>	<u>£(58,682)</u>

The notes form part of these financial statements

Bridgewater Investments Limited

Balance Sheet
31 December 2002

	Notes	31.12.02 £	£	31.12.01 £	£
FIXED ASSETS:					
Tangible assets	5		22,272		123,066
CURRENT ASSETS:					
Debtors	6	50,090		2,232	
Cash at bank		16,039		1,427	
		<u>66,129</u>		<u>3,659</u>	
CREDITORS: Amounts falling due within one year	7	<u>161,627</u>		<u>185,307</u>	
NET CURRENT LIABILITIES:			<u>(95,498)</u>		<u>(181,648)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£(73,226)</u>		<u>£(58,582)</u>
CAPITAL AND RESERVES:					
Called up share capital	8		100		100
Profit and loss account			<u>(73,326)</u>		<u>(58,682)</u>
SHAREHOLDERS' FUNDS:			<u>£(73,226)</u>		<u>£(58,582)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2002.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2002 in accordance with Section 249B(2) of the Companies Act 1985.

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 each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

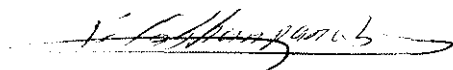
Bridgewater Investments Limited

Balance Sheet

31 December 2002

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:



F Sobhanpanah - DIRECTOR

G Hamza - DIRECTOR

Approved by the Board on 

26.06.03

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

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.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. **TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the company.

3. **OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	Year Ended 31.12.02 £	Period 1.7.00 to 31.12.01 £
Loss/(Profit) on disposal of fixed assets	41,310	(6,330)
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	-	-
	<u> </u>	<u> </u>

4. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2002 nor for the period ended 31 December 2001.

5. TANGIBLE FIXED ASSETS

	Land and buildings
	£
COST:	
At 1 January 2002	123,066
Disposals	(100,794)
	<u>22,272</u>
At 31 December 2002	
NET BOOK VALUE:	
At 31 December 2002	<u>22,272</u>
At 31 December 2001	<u>123,066</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.02	31.12.01
	£	£
Rents receivable	2,958	2,194
Other debtors	38	38
Amounts due on completion	47,094	-
	<u>50,090</u>	<u>2,232</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.02	31.12.01
	£	£
Directors current accounts	1	17,471
Due to associated company	159,901	167,131
Other creditors	1,116	705
Amounts payable on completion	609	-
	<u>161,627</u>	<u>185,307</u>

8. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.02	31.12.01
		£1	£	£
100	Ordinary		<u>100</u>	<u>100</u>

9. TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the year ended 31 December 2002:

	£
G Hamza	
Balance outstanding at start of year	-
Balance outstanding at end of year	-
Maximum balance outstanding during year	<u>7,265</u>

F Sobhanpanah	
Balance outstanding at start of year	-
Balance outstanding at end of year	-
Maximum balance outstanding during year	<u>7,265</u>

10. RELATED PARTY DISCLOSURES

Creditors include amounts due to an associated company, Coastal Management Limited, as at 31 December 2002 totalling £159,901 (2001 £167,131). Both companies are under common control.

During the year the company sold freehold properties to Coolwaters Limited, an associated company, at their open market value of £48,000. At the balance sheet date, the company were owed an amount due on completion from their solicitors totalling £47,094.

11. MAINTENANCE COSTS WRITTEN BACK

The profit and loss account shows that repairs to property has been credited with £24,995 during the year.

This amount relates to the write back of maintenance works ordered by the Law Court on one of the company's freehold properties which was shown as an expense in the company's profit and loss account for the period ended 31 December 2001. This property was sold in December 2002 for £1 and one of the conditions of sale was that the maintenance costs would become the responsibility of the purchaser.