

Company Registration No. 3376421 (England and Wales)

CHURCHILL PROPERTY INVESTMENTS LTD
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 OCTOBER 2000



CHURCHILL PROPERTY INVESTMENTS LTD

COMPANY INFORMATION

Director	S M Westwell
Secretary	S J Thompson
Company number	3376421
Registered office	7 Manor Courtyard, Hughenden Avenue High Wycombe Bucks HP13 5RE
Auditors	Hale Partnership Limited 7 Manor Courtyard High Wycombe Bucks HP13 5RE
Business address	The Old Saracen's Head, 7 Buttermarket Thame OX9 3EW
Solicitors	Norris Bazzard & Co 119 High Street Amersham Bucks HP7 0EA

CHURCHILL PROPERTY INVESTMENTS LTD

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CHURCHILL PROPERTY INVESTMENTS LTD

DIRECTOR'S REPORT FOR THE PERIOD ENDED 31 OCTOBER 2000

The director presents his report and financial statements for the period ended 31 October 2000.

Principal activities

The principal activity of the company is the rental of property.

Directors

The following directors have held office since 1 June 1999:

S M Westwell

T Butler

(Resigned 21 October 1999)

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary Shares of £ 1 each	
	31 October 2000	1 June 1999
S M Westwell	-	2

Auditors

Hale Partnership Limited were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

Director's responsibilities

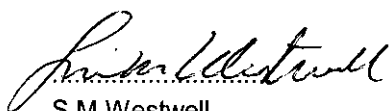
Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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. He 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.

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



S M Westwell

Director

21.5.02

CHURCHILL PROPERTY INVESTMENTS LTD

AUDITORS' REPORT

TO THE SHAREHOLDERS OF CHURCHILL PROPERTY INVESTMENTS LTD

We have audited the financial statements of Churchill Property Investments Ltd on pages 3 to 7 for the period ended 31 October 2000. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

Respective responsibilities of the director and auditors

As described in the statement of director's responsibilities on page 1 the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is 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 director's 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 director's remuneration and transactions with the company is not disclosed.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of 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 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 October 2000 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Hale Partnership Limited
Chartered Certified Accountants

Registered Auditor

21.5.02

7 Manor Courtyard
High Wycombe
Bucks
HP13 5RE

CHURCHILL PROPERTY INVESTMENTS LTD

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 OCTOBER 2000

		Seventeen Months ended 31 October 2000 £	31 May 1999 £
	Notes		
Turnover		54,089	-
Administrative expenses		(16,886)	-
Operating profit	2	37,203	-
Interest payable and similar charges		(70,061)	-
Loss on ordinary activities before taxation		(32,858)	-
Tax on loss on ordinary activities	3	(173,065)	-
Loss on ordinary activities after taxation	9	(205,923)	-

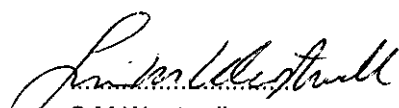
CHURCHILL PROPERTY INVESTMENTS LTD

BALANCE SHEET AS AT 31 OCTOBER 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Tangible assets	4	2,275,000			-
Current assets					
Debtors	5	4,016		-	
Cash at bank and in hand		2		2	
		<u>4,018</u>		<u>2</u>	
Creditors: amounts falling due within one year	6	<u>(262,014)</u>		<u>-</u>	
Net current (liabilities)/assets			(257,996)		2
Total assets less current liabilities			2,017,004		2
Creditors: amounts falling due after more than one year	7		(1,329,684)		-
Provisions for liabilities and charges			<u>(173,065)</u>		<u>-</u>
			<u>514,255</u>		<u>2</u>
Capital and reserves					
Called up share capital	8		2		2
Revaluation reserve	9		720,176		-
Profit and loss account	9		(205,923)		-
Shareholders' funds			<u>514,255</u>		<u>2</u>

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 March 2000).

The financial statements were approved by the Board on 21.05.2002


S M Westwell
Director

CHURCHILL PROPERTY INVESTMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 OCTOBER 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets include investment properties professionally valued by Chartered Surveyors on an existing use open market value basis. Other tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

There are currently no other fixed assets owned by the company other than the investment property, the valuation of which is dealt with under note 4 to the accounts

1.4 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

Provision has been made for deferred tax on gains recognised on revaluing property to its market value.

2 Operating profit

	2000	1999
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	2,938	-

3 Taxation

	2000	1999
	£	£
U.K. current year taxation		
Deferred taxation	173,065	-

The company has estimated losses of £27,753 (1999 - £-) available for carry forward against future trading profits.

CHURCHILL PROPERTY INVESTMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2000

4 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 June 1999	-
Additions	1,554,824
Revaluation	720,176
At 31 October 2000	2,275,000

5 Debtors

	2000 £	1999 £
Trade debtors	2,718	-
Amounts recoverable on long term contracts	(1,693)	-
Other debtors	2,991	-
	4,016	-

6 Creditors: amounts falling due within one year

	2000 £	1999 £
Bank loans and overdrafts	213,791	-
Trade creditors	3,995	-
Amounts owed to group undertakings and undertakings in which the company has a participating interest	7,451	-
Other creditors	36,777	-
	262,014	-

CHURCHILL PROPERTY INVESTMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 OCTOBER 2000

7	Creditors: amounts falling due after more than one year	2000 £	1999 £
	Bank loans	1,229,684	-
	Other creditors	100,000	-
		<u>1,329,684</u>	<u>-</u>

Analysis of loans

Wholly repayable within five years	1,543,424	-
Included in current liabilities	(213,740)	-
	<u>1,329,684</u>	<u>-</u>

Bank loans provided by Anglo Irish Bank are secured by a debenture incorporating a first fixed charge over the company's Investment Property.

Other Creditors represents a loan from the shareholder. The loan is subject to a written agreement that specifies that the loan will be repaid in full by the Company or it's director.

8	Share capital	2000 £	1999 £
	Authorised		
	1,000 Ordinary Shares of £ 1 each	<u>1,000</u>	<u>1,000</u>
	Allotted, called up and fully paid		
	2 Ordinary Shares of £ 1 each	<u>2</u>	<u>2</u>

9	Statement of movements on reserves	Revaluation reserve £	Profit and loss account £
	Retained loss for the period	-	(205,923)
	Revaluation during the period	<u>720,176</u>	<u>-</u>
	Balance at 31 October 2000	<u>720,176</u>	<u>(205,923)</u>