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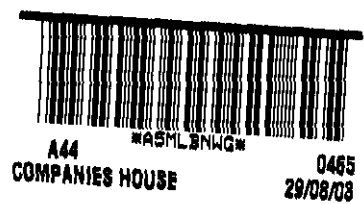
REGISTERED NUMBER: 3623721 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2002

FOR

NEWGOLD PROPERTIES LIMITED



NEWGOLD PROPERTIES LIMITED

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FOR THE YEAR ENDED 31 AUGUST 2002**

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NEWGOLD PROPERTIES LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2002

DIRECTORS:	Mr A Chrysostomou Mrs N Chrysostomou Mr C Chrysostomou
SECRETARY:	Mr C Chrysostomou
REGISTERED OFFICE:	Solar House 282 Chase Road Southgate London N14 6NZ
REGISTERED NUMBER:	3623721 (England and Wales)
AUDITORS:	Freemans Partnership LLP Chartered Certified Accountants and Registered Auditors Solar House 282 Chase Road Southgate London N14 6NZ
BANKERS:	Laiki Bank Holloway Branch 95 Seven Sisters Road London N7 6BZ

NEWGOLD PROPERTIES LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2002

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of bed and breakfast accommodation.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of £3,000 per share.

The total distribution of dividends for the year ended 31 August 2002 will be £300,000.

DIRECTORS

The directors during the year under review were:

Mr A Chrysostomou
Mrs N Chrysostomou
Mr C Chrysostomou

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

	31.8.02	1.9.01
Ordinary £1 shares		
Mr A Chrysostomou	52	52
Mrs N Chrysostomou	12	12
Mr C Chrysostomou	12	12

STATEMENT OF DIRECTORS' 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 the profit or loss of the company for that period. In preparing those financial statements, the directors are 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 directors are responsible for keeping 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.

NEWGOLD PROPERTIES LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2002

AUDITORS

The auditors, Freemans Partnership LLP, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



Mr C Chrysostomou - SECRETARY

Dated: 30 June 2003

NEWGOLD PROPERTIES LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO
NEWGOLD PROPERTIES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages five to fourteen, together with the full financial statements of the company for the year ended 31 August 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to fourteen are properly prepared in accordance with that provision.



Freemans Partnership LLP
Chartered Certified Accountants
and Registered Auditors
Solar House
282 Chase Road
Southgate
London
N14 6NZ

Dated: 30 June 2003

NEWGOLD PROPERTIES LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2002**

	Notes	2002 £	2001 £
GROSS PROFIT		2,281,432	3,299,848
Administrative expenses		<u>1,634,038</u>	<u>2,050,909</u>
OPERATING PROFIT	3	647,394	1,248,939
Interest receivable and similar income		<u>10,214</u>	<u>31,532</u>
		657,608	1,280,471
Amounts written off investments	4	<u>-</u>	<u>317,074</u>
		657,608	963,397
Interest payable and similar charges	5	<u>9,828</u>	<u>22,934</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		647,780	940,463
Tax on profit on ordinary activities	6	<u>215,787</u>	<u>385,507</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		431,993	554,956
Dividends	7	<u>300,000</u>	<u>150,000</u>
RETAINED PROFIT FOR THE YEAR		<u>£131,993</u>	<u>£404,956</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

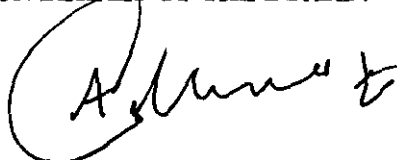
NEWGOLD PROPERTIES LIMITED

**ABBREVIATED BALANCE SHEET
31 AUGUST 2002**

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible assets	8	15,334	8,430
CURRENT ASSETS			
Debtors	9	1,852,370	1,920,532
Investments	10	129,100	129,100
Cash at bank and in hand		448,714	490,651
		<u>2,430,184</u>	<u>2,540,283</u>
CREDITORS			
Amounts falling due within one year	11	916,080	1,151,268
NET CURRENT ASSETS		<u>1,514,104</u>	<u>1,389,015</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>£1,529,438</u></u>	<u><u>£1,397,445</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	100	100
Profit and loss account	13	1,529,338	1,397,345
SHAREHOLDERS' FUNDS	15	<u><u>£1,529,438</u></u>	<u><u>£1,397,445</u></u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



Mr A Chrysostomou - DIRECTOR

Approved by the Board on 30 June 2003

The notes form part of these financial statements

NEWGOLD PROPERTIES LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2002

		2002		2001	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		436,342		900,003
Returns on investments and servicing of finance	2		386		8,598
Taxation			(144,095)		(429,037)
Capital expenditure and financial investment	2		(12,354)		(478,489)
Equity dividends paid			(300,000)		(150,000)
			(19,721)		(148,925)
Financing	2		(22,216)		23,713
Decrease in cash in the period			<u>£(41,937)</u>		<u>£(125,212)</u>
Reconciliation of net cash flow to movement in net funds	3				
Decrease in cash in the period		(41,937)		(125,212)	
Cash outflow from increase in liquid resources		<u>-</u>		<u>129,100</u>	
Change in net funds resulting from cash flows			(41,937)		3,888
Movement in net funds in the period			(41,937)		3,888
Net funds at 1 September			<u>619,751</u>		<u>615,863</u>
Net funds at 31 August			<u><u>£577,814</u></u>		<u><u>£619,751</u></u>

The notes form part of these financial statements

NEWGOLD PROPERTIES LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2002**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2002	2001
	£	£
Operating profit	647,394	1,248,939
Depreciation charges	5,450	3,387
Loss on disposal of fixed assets	-	26,961
Decrease/(Increase) in debtors	68,162	(648,768)
(Decrease)/Increase in creditors	(284,664)	269,484
Net cash inflow from operating activities	436,342	900,003

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2002	2001
	£	£
Returns on investments and servicing of finance		
Interest received	10,214	31,532
Interest paid	(9,828)	(22,934)
Net cash inflow for returns on investments and servicing of finance	386	8,598
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(12,354)	(5,354)
Purchase of fixed asset investments	-	(446,174)
Sale of fixed asset investments	-	(26,961)
Net cash outflow for capital expenditure and financial investment	(12,354)	(478,489)
 Financing		
Amount introduced by directors	(22,216)	23,713
Net cash (outflow)/inflow from financing	(22,216)	23,713

The notes form part of these financial statements

NEWGOLD PROPERTIES LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2002

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/01 £	Cash flow £	At 31/8/02 £
Net cash:			
Cash at bank and in hand	490,651	(41,937)	448,714
	<u>490,651</u>	<u>(41,937)</u>	<u>448,714</u>
Liquid resources:			
Current asset investments	129,100	-	129,100
	<u>129,100</u>	<u>-</u>	<u>129,100</u>
Total	<u>619,751</u>	<u>(41,937)</u>	<u>577,814</u>

The notes form part of these financial statements

NEWGOLD PROPERTIES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002**

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% straight line

Deferred tax

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

Taxation

Corporation tax payable is provided on the taxable profits at the current rate.

Investments

Investments held as current assets represent shares in listed companies and are stated at the lower of cost and net realisable value.

2. STAFF COSTS

	2002	2001
	£	£
Wages and salaries	231,993	221,872

The average monthly number of employees during the year was as follows:

	2002	2001
Management and administration	7	6
Maintenance	5	5
	12	11

NEWGOLD PROPERTIES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002**

3. OPERATING PROFIT

The operating profit is stated after charging:

	2002	2001
	£	£
Hire of plant and machinery	751	819
Depreciation - owned assets	5,450	3,387
Loss on disposal of fixed assets	-	26,961
Auditors remuneration	2,000	2,000
Auditors' remuneration for non audit work	<u>12,282</u>	<u>18,301</u>
 Directors' emoluments	 <u>72,400</u>	 <u>50,630</u>

4. AMOUNTS WRITTEN OFF INVESTMENTS

	2002	2001
	£	£
Amounts written off investments	<u>-</u>	<u>317,074</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2002	2001
	£	£
Bank interest	2,144	12,936
Interest on corporation tax	7,684	1,145
Interest on shares purchased	-	8,853
	<u>9,828</u>	<u>22,934</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2002	2001
	£	£
Current tax:		
UK corporation tax	196,156	385,507
Previous year under provision	19,631	-
Total current tax	<u>215,787</u>	<u>385,507</u>
 Tax on profit on ordinary activities	 <u>215,787</u>	 <u>385,507</u>

7. DIVIDENDS

	2002	2001
	£	£
Equity shares:		
Final	<u>300,000</u>	<u>150,000</u>

NEWGOLD PROPERTIES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002**

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST:				
At 1 September 2001	4,098	5,800	4,073	13,971
Additions	1,290	11,064	-	12,354
	<u>5,388</u>	<u>16,864</u>	<u>4,073</u>	<u>26,325</u>
DEPRECIATION:				
At 1 September 2001	1,985	2,538	1,018	5,541
Charge for year	851	3,581	1,018	5,450
	<u>2,836</u>	<u>6,119</u>	<u>2,036</u>	<u>10,991</u>
NET BOOK VALUE:				
At 31 August 2002	<u>2,552</u>	<u>10,745</u>	<u>2,037</u>	<u>15,334</u>
At 31 August 2001	<u>2,113</u>	<u>3,262</u>	<u>3,055</u>	<u>8,430</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £	2001 £
Trade debtors	192,071	649,022
Amounts owed by associated undertakings	1,654,232	1,271,072
Other debtors	6,067	345
Prepayments	-	93
	<u>1,852,370</u>	<u>1,920,532</u>

10. CURRENT ASSET INVESTMENTS

	2002 £	2001 £
Short term investments at 1 September 2001	129,100	-
Addition for the year	-	446,174
Provision for the year	-	(317,074)
	<u>129,100</u>	<u>129,100</u>

Market value of listed investments at 31 August 2002 - £129,000.

NEWGOLD PROPERTIES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
	£	£
Trade creditors	263,439	503,421
Taxation	458,345	386,653
Social security and other taxes	5,275	36,992
Amounts owed to associated undertakings	48,541	48,541
Other creditors	23,405	16,079
Directors' current accounts	4,875	27,091
Accruals and deferred income	112,200	132,491
	<u>916,080</u>	<u>1,151,268</u>

12. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2002	2001
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2002	2001
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

13. RESERVES

	Profit and loss account
	£
At 1 September 2001	1,397,345
Retained profit for the year	<u>131,993</u>
At 31 August 2002	<u>1,529,338</u>

14. RELATED PARTY DISCLOSURES

During the year the company rented properties owned by the director Mr A. Chrysostomou. The rent paid was at market value and amounted to £103,219 (2001:£110,400). During the year the company also rented properties from Rockview Ltd a company controlled by the director Mr A. Chrysostomou. The rent paid was at market value and was £306,875 (2001:£286,280). The balance due from associated company, Rockview Ltd, was £1,381,922 (2001:£1,271,072) and the balance due to associated company, Network Agencies, was £48,541 (2001:£48,541).

NEWGOLD PROPERTIES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2002**

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Profit for the financial year	431,993	554,956
Dividends	(300,000)	(150,000)
Net addition to shareholders' funds	131,993	404,956
Opening shareholders' funds	1,397,445	992,489
Closing shareholders' funds	1,529,438	1,397,445
Equity interests	1,529,438	1,397,445

16. CONTROLLING PARTY

Mr A Chrysostomou, the director, and members of his close family control the company as a result of controlling directly 100 per cent of the issued ordinary share capital.