

PIVOTAL LIMITED

REGISTRAR

COMPANY REGISTERED NO: 3158869

REPORT AND FINANCIAL STATEMENTS

31 MARCH 2001



PIVOTAL LIMITED**DIRECTORS' REPORT**

The directors submit their report and the audited financial statements for the year ended 31 March 2001.

PRINCIPAL ACTIVITIES

The company's principal activity was property investment.

RESULTS AND DIVIDENDS

The company made a profit for the year, before taxation, amounting to £ 157,001 (2000: £ 576,935)

During the year, dividends of £630 per share were declared and paid.

The directors recommend the payment of a final dividend of £8.285 per share.

PARENT COMPANY

The company is a 75% subsidiary undertaking of Pivotal Holdings Limited, a company registered in England.

DIRECTORS AND THEIR INTERESTS

The directors who served the company during the year and their interests in the share capital at the year end were as follows:

	<u>No of Ordinary Shares held</u>	
	<u>31 March</u>	<u>31 March</u>
	<u>2001</u>	<u>2000</u>
S F Hakoura	-	-
C P Fairweather	250	250

Mr S F Hakoura was interested in 47.5% of the share capital of the parent company throughout the year.

PIVOTAL LIMITED

DIRECTORS' REPORT

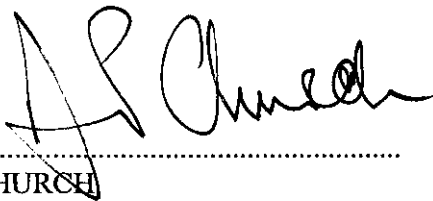
RESPONSIBILITY STATEMENT

With regard to accounting and financial matters, directors have clearly defined responsibilities.

Under Company Law, they are required to prepare financial statements each year and to present them to the Members at an Annual General Meeting. The form of the financial statements is prescribed by the Companies Act 1985 and they must give a true and fair view of the state of affairs of the company at the end of the year and of the result for the year. The financial statements should be prepared on a going concern basis unless it is inappropriate. The directors are responsible for the selection and consistent application of suitable accounting policies and, where necessary, for making prudent and reasonable estimates and judgements.

Additionally, the directors are responsible for safeguarding the assets of the company, for maintaining adequate accounting records and for preventing and detecting irregularities such as fraud.

BY ORDER OF THE BOARD



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D P CHURCH
Secretary

Date: 1 August 2001

REPORT OF THE AUDITORS TO THE MEMBERS OF

PIVOTAL LIMITED

We have audited the financial statements on pages 4 to 8 in accordance with Auditing Standards.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the company's directors are responsible for the preparation of 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 directors 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 at 31 March 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



A J Pickard & Co
Chartered Accountants and Registered Auditors
Craven House
16 Northumberland Avenue
London WC2N 5AP

Date: 20 August 2001

PIVOTAL LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2001**

	<u>Notes</u>	<u>2001</u> <u>£</u>	<u>2001</u> <u>£</u>	<u>2000</u> <u>£</u>
TURNOVER	2		35,302	124,621
Property and Administration Expenses			(4,802)	(19,959)
OPERATING PROFIT	3		30,500	104,662
Gain on sale of property			136,140	509,025
Gain on sale of investments			2,326	12,461
Bank Interest Receivable and similar income			12,420	12,258
Bank Loan Interest Payable			(24,385)	(61,471)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			157,001	576,935
Tax on profit on ordinary activities	4		(21,007)	(155,066)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			135,994	421,869
DIVIDENDS				
Paid		630,000		
Proposed		8,285		
			(638,285)	-
			(502,291)	421,869
RETAINED PROFITS BROUGHT FORWARD			502,291	80,422
RETAINED PROFITS CARRIED FORWARD			£ -	£ 502,291

The company had no recognised gains or losses other than the profit for the year.

The notes on pages 6 to 8 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2001

	<u>Notes</u>	<u>2001</u> £	<u>2001</u> £	<u>2000</u> £	<u>2000</u> £
TANGIBLE FIXED ASSETS					
Investment Properties	5		-		635,895
CURRENT ASSETS					
Due from parent company		9,285		-	
Other Debtors		-		1,441	
Investments		-		15,125	
Cash at Bank and in Hand		-		449,794	
		<u>9,285</u>		<u>466,360</u>	
CREDITORS: amounts falling due within one year	6	<u>(8,285)</u>		<u>(168,964)</u>	
NET CURRENT ASSETS			<u>1,000</u>		<u>297,396</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,000</u>		<u>933,291</u>
CREDITORS: amounts falling due after more than one year	7		<u>-</u>		<u>(430,000)</u>
NET ASSETS			<u>£ 1,000</u>		<u>£ 503,291</u>
CAPITAL AND RESERVES					
Called Up Share Capital	8		1,000		1,000
Profit and Loss Account			-		502,291
SHAREHOLDERS' FUNDS - EQUITY	9		<u>£ 1,000</u>		<u>£ 503,291</u>

Approved by the Board for signing on 1 August 2001



S F HAKOURA



C P FAIRWEATHER

Directors

The notes on pages 6 to 8 form part of these financial statements.

PIVOTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2001

4. TAXATION

	<u>2001</u> <u>£</u>	<u>2000</u> <u>£</u>
Corporation Tax @ 20% (30%) on profit for the year	<u>£21,007</u>	<u>£155,066</u>

5. TANGIBLE FIXED ASSETS

	<u>Investment</u> <u>Properties</u> <u>£</u>
Cost	
At 1 April 2000	635,895
Disposals in year	(635,895)
At 31 March 2001	<u>£-</u>

6. CREDITORS: Amounts Falling Due Within One Year

	<u>2001</u> <u>£</u>	<u>2000</u> <u>£</u>
Proposed Dividend	8,285	-
Corporation Tax	-	155,066
Accruals	-	13,898
	<u>£ 8,285</u>	<u>£168,964</u>

PIVOTAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2001****7. CREDITORS: Amounts Falling Due After More Than One Year**

	<u>2001</u> <u>£</u>	<u>2000</u> <u>£</u>
Bank Loans, secured on the properties, repayable in instalments in 2003, at variable rates over base or LIBOR	-	430,000
Less: due within one year	-	-
	<u>£-</u>	<u>£430,000</u>

8. SHARE CAPITAL

	<u>Authorised</u>		<u>Allotted, Called Up and Fully Paid</u>	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
	<u>No</u>	<u>No</u>	<u>£</u>	<u>£</u>
Ordinary Shares of £1 each	1,000	1,000	1,000	1,000

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2001</u> <u>£</u>	<u>2000</u> <u>£</u>
Shareholders' funds at 1 April 2000	503,291	81,422
Profit for the Financial year	135,994	421,869
Dividends payable	(638,285)	-
Shareholders' Funds at 31 March 2001	<u>£1,000</u>	<u>£503,291</u>

10. ULTIMATE HOLDING COMPANY AND CONTROL

In accordance with Financial Reporting Standard 8, the company has the following related party disclosure requirements:

The company is a 75% subsidiary undertaking of, and is controlled by, Pivotal Holdings Limited, which is the ultimate holding company.