

**REGISTRAR OF
COMPANIES**

Bolney Estates Limited

Report and Financial Statements

Period ended

28 February 1999



BDO

BDO Stoy Hayward
Chartered Accountants

BOLNEY ESTATES LIMITED

Annual report and financial statements for the period ended 28 February 1999

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Director

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Director

D Tweeddale-Tye

Secretary and registered office

S D Jones, 14 Garrick Street, London, WC2E 9BJ.

Company number

3428996

Accountants

BDO Stoy Hayward, 8 Baker Street, London, W1M 1DA

BOLNEY ESTATES LIMITED

Report of the director for the period ended 28 February 1999

The director presents his report together with the financial statements for the period ended 28 February 1999. The company was incorporated on 4 September 1997 and changed its name from Speed 6524 Limited on 19 September 1997.

Results and dividends

The profit and loss account is set out on page 3 and shows the profit for the year.

The director does not recommend the payment of a dividend.

Principal activities, trading review and future developments

The principal activity of the company is that of property dealing. The company acquired one investment property in the period.

The director is pleased with the result for the year and is hopeful for the future.

Charitable and political contributions

The company did not make charitable contributions in excess of £200 during the year.

Year 2000

The company has reviewed its operation systems to assess the risks to its business in relation to Year 2000 compliance. From this a prioritised action plan has been developed and implemented. Whilst it is not possible to guarantee that no year 2000 problems will remain, the board believes that it has achieved an acceptable state of readiness to deal promptly with significant issues that might arise.

Directors

Mr D Tweeddale-Tye was the sole director during the period. He has a beneficial interest in the entire issued share capital of the company.

By order of the Board

S D Jones



Secretary

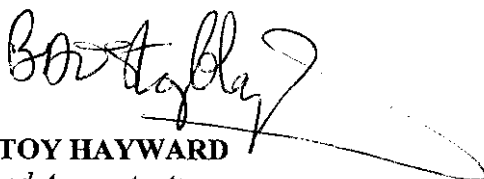
Date 2 July 1999

BOLNEY ESTATES LIMITED

Accountants' Report on the Unaudited Financial Statements

To the directors of Bolney Estates Limited

As described on the balance sheet you are responsible for the preparation of the financial statements for the period ended 28 February 1999, set out on pages 3 to 8, and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



BDO STOY HAYWARD
Chartered Accountants
London

Date 2/7/1999.

BOLNEY ESTATES LIMITED**Profit and loss account for the period ended 28 February 1999**

| | Note | £ |
|--|-------------|----------------|
| Turnover | 2 | 137,711 |
| Administrative expenses | | 20,631 |
| | | <hr/> |
| Operating profit | | 117,080 |
| Interest receivable | | 1,081 |
| Interest payable | 3 | 84,021 |
| | | <hr/> |
| Profit on ordinary activities before taxation | | 34,140 |
| Taxation on profit from ordinary activities | 4 | 7,169 |
| | | <hr/> |
| Retained profit for the year | | 26,971 |
| | | <hr/> <hr/> |

All amounts relate to continuing activities.

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

BOLNEY ESTATES LIMITED

Statement of total recognised gains and losses and reconciliation of movements in shareholders' funds for the period ended 28 February 1999

| | £ |
|---|-------------|
| Statement of total recognised gains and losses | |
| Profit for the year | 26,971 |
| Unrealised surplus on revaluation of property | 251,708 |
| | <hr/> |
| Total recognised gains and losses for the period | 278,679 |
| | <hr/> <hr/> |
| Reconciliation of movements in shareholders' funds | |
| Profit for the year | 26,971 |
| Other recognised gains and losses | 251,708 |
| | <hr/> |
| | 278,679 |
| New share capital subscribed | 2 |
| | <hr/> |
| Shareholder's funds at 28 February 1999 | 278,681 |
| | <hr/> <hr/> |

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

BOLNEY ESTATES LIMITED**Balance sheet at 28 February 1999**

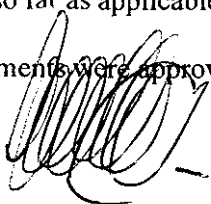
| | Note | £ | £ |
|--|------|---------|-----------|
| Fixed assets | | | |
| Tangible assets | 5 | | 1,250,000 |
| Current assets | | | |
| Debtors | 6 | 11,541 | |
| Cash at bank | | 34,808 | |
| | | <hr/> | |
| | | 46,349 | |
| Creditors: amounts falling due within one year | 7 | 917,668 | |
| | | <hr/> | |
| Net current liabilities | | | 871,319 |
| | | | <hr/> |
| Total assets less current liabilities | | | 378,681 |
| Creditors: amounts falling due after more than one year | 8 | | 100,000 |
| | | | <hr/> |
| Net assets | | | 278,681 |
| | | | <hr/> |
| Capital and reserves | | | |
| Called up share capital | 9 | | 2 |
| Revaluation reserve | 10 | | 251,708 |
| Profit and loss account | 10 | | 26,971 |
| | | | <hr/> |
| Shareholder's funds | | | 278,681 |
| | | | <hr/> |

The director has taken advantage of the exemption conferred by S.249A(1) not to have these financial statements audited and confirm that no notice has been deposited under S.249B(2) of the Companies Act 1985. The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with S.221 of the Companies Act 1985; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at 28 February 1999 and of its profit for the period then ended in accordance with the requirement of S.226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board on 2 July 1999

D Tweeddale-Tye
Director



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

BOLNEY ESTATES LIMITED

Notes forming part of the financial statements for the period ended 28 February 1999

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents rental income receivable in respect of the property acquired by the company during the period.

Investment property

The investment property is revalued annually to its open market value and no depreciation is provided. The director considers that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 1985 had not been quantified because it is impracticable and, in the opinion of the director, would be misleading.

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely from the United Kingdom.

3 Interest payable

| | £ |
|-----------|-------------------|
| Bank loan | 84,021 |
| | <u> </u> |

4 Taxation on profit from ordinary activities

| | |
|--------------------|-------------------|
| UK corporation tax | 7,169 |
| | <u> </u> |

BOLNEY ESTATES LIMITED

Notes forming part of the financial statements for the period ended 28 February 1999 (*Continued*)

5 Tangible assets

| | Freehold investment property £ |
|-----------------------|---|
| <i>Cost/valuation</i> | |
| Addition | 998,292 |
| Revaluation | 251,708 |
| | <hr/> |
| At 28 February 1999 | 1,250,000 |
| | <hr/> |
| <i>Net book value</i> | |
| At 28 February 1999 | 1,250,000 |
| | <hr/> <hr/> |

At 28 February 1999 the company had not entered into any capital commitments. The director valued the Freehold Investment Property at 28 February 1999 on an open market basis at £1,250,000.

The historic cost of the revalued asset included above is £998,292 for the freehold investment property.

6 Debtors

| | £ |
|---------------|-------------|
| Other debtors | 11,541 |
| | <hr/> <hr/> |

All amounts under debtors fall due for payment within one year.

7 Creditors: amounts falling due within one year

| | |
|---------------------------|-------------|
| Bank loan (secured) | 885,000 |
| Directors current account | 712 |
| Other creditors | 1,900 |
| Corporation tax | 7,169 |
| Accruals | 22,887 |
| | <hr/> |
| | 917,668 |
| | <hr/> <hr/> |

The bank loan is secured on the company's Freehold Investment property. The loan is repayable on demand, and the facility will be reviewed by the bank on 18 November 1999.

BOLNEY ESTATES LIMITEDNotes forming part of the financial statements for the period ended 28 February 1999 *(Continued)*

| | | |
|----------|--|-------------------|
| 8 | Creditors: amounts falling due after more than one year | £ |
| | Director's loan account | 100,000 |
| | | <u> </u> |

The director's loan is interest free, unsecured, and is repayable after 28 February 2000.

9 Share capital

| | Authorised £ | Allotted, called up and fully paid £ |
|----------------------------|-------------------------|---|
| Ordinary shares of £1 each | 1,000 | 2 |
| | <u> </u> | <u> </u> |

10 Reserves

| | Revaluation reserve £ | Profit and loss account £ |
|---|--------------------------------------|--|
| Profit for year | - | 26,971 |
| Unrealised surplus on revaluation of properties | 251,708 | - |
| | <u> </u> | <u> </u> |
| At 28 February 1999 | 251,708 | 26,971 |
| | <u> </u> | <u> </u> |