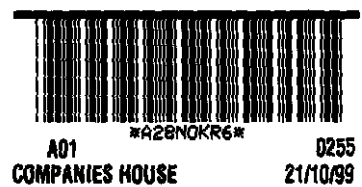


Boldhelm Limited

Directors' report and financial statements

31 March 1999

Registered number 2340761



Boldhelm Limited

Directors' report and financial statements

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Boldhelm Limited

Directors' report

The directors present their annual report and the financial statements for the year ended 31 March 1999.

Principal activity

The principal activity of the company is the holding of residential property.

Directors and directors' interests

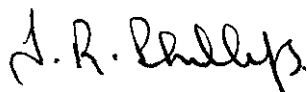
The directors, who held office throughout the year, had the following interests in the ordinary shares of the company at 31 March 1998 and 1999, as recorded in the register of directors' share interests:

JR Phillips	1
CR Phillips	-

Small company rules

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

This report was approved by the board on 14 September 1999 and signed on its behalf.

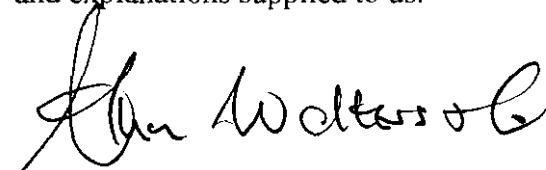


JR Phillips
Director

The Hollies
Duffryn Church
Bryncoch
Neath
SA10 7AZ

Accountants' report on the unaudited accounts to the directors of
Boldhelm Limited

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 March 1999, set out on pages 4 to 8, and you consider that the company is exempt from both an audit and a report under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



Alun Walters & Co
Chartered Accountants
14 September 1999

Llanddewi Castle
Llanddewi
Reynoldston
Swansea
SA3 1AU

Boldhelm Limited

Profit and loss account *for the year ended 31 March 1999*

	<i>Note</i>	1999 £	1998 £
Turnover		10,207	10,513
External charges		(7,843)	(7,372)
Depreciation	2	(1,863)	(1,008)
Diminution in value of investment property	2	(5,471)	-
		<hr/>	<hr/>
Operating (loss)/profit		(4,970)	2,133
Interest payable and similar charges		(14)	-
		<hr/>	<hr/>
(Loss)/profit on ordinary activities for the year		(4,984)	2,133
Accumulated losses brought forward		(16,117)	(18,250)
		<hr/>	<hr/>
Accumulated losses carried forward		(21,101)	(16,117)
		<hr/>	<hr/>

Statement of total recognised gains and losses *for the year ended 31 March 1999*

	1999 £	1998 £
(Loss)/profit for the financial year	(4,984)	2,133
Unrealised surplus on revaluation of investment property	26,841	-
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	21,857	2,133
	<hr/>	<hr/>

Boldhelm Limited

Balance sheet

at 31 March 1999

	Note	£	1999 £	£	1998 £
Fixed assets	2		91,171		109,506
Current assets					
Debtors	3	2,584		2,053	
Investment property held for disposal	4	38,500		-	
Cash at bank		567		6,161	
			41,651	8,214	
Creditors: amounts falling due within one year	5	(1,059)		(7,814)	
Net current assets			40,592		400
Total assets less current liabilities			131,763		109,906
Creditors: amounts falling due after more than one year	6		(126,021)		(126,021)
Net assets/(liabilities)			5,742		(16,115)
Capital and reserves					
Called up share capital	7		2		2
Investment property revaluation reserve	8		26,841		-
Profit and loss account			(21,101)		(16,117)
Shareholders' funds			5,742		(16,115)

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the company's share capital have not issued a notice requiring an audit under 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 for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its loss for the year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies and in accordance with the Financial Reporting Standard for Smaller Entities, were approved by the board on 14 September 1999 and signed on its behalf.

JR Phillips

Director

J.R. Phillips

Boldhelm Limited

Notes (forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

Investment property

Investment properties are included in the balance sheet at their open market value. No depreciation or amortisation is provided in respect of the properties, which are held on long leaseholds with unexpired terms of over 20 years.

This treatment may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, the properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful lives as follows:

Fixtures, furniture and equipment	10 years
-----------------------------------	----------

Turnover

Turnover represents rents charged to tenants during the year.

2 Tangible fixed assets

	Investment properties	Fixtures, furniture, equipment	Total
	£	£	£
<i>Cost</i>			
At 31 March 1998	101,472	10,081	111,553
Additions	658	-	658
Surplus on revaluation	26,841	-	26,841
Permanent diminution in value	(5,471)	-	(5,471)
Transfer to current assets	(38,500)	-	(38,500)
	<hr/>	<hr/>	<hr/>
At 31 March 1999	85,000	10,081	95,081
	<hr/>	<hr/>	<hr/>

Boldhelm Limited

Notes (continued)

2 Tangible fixed assets (continued)

	Investment properties	Fixtures, furniture, equipment	Total
	£	£	£
<i>Depreciation</i>			
At 31 March 1998	-	2,047	2,047
Charge for the year	-	1,863	1,863
	<hr/>	<hr/>	<hr/>
At 31 March 1999	-	3,910	3,910
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 March 1999	85,000	6,171	91,171
	<hr/>	<hr/>	<hr/>
At 31 March 1998	101,472	8,034	109,506
	<hr/>	<hr/>	<hr/>

The investment property, which is held on long leasehold, is included at the directors' estimate of its current market value.

3 Debtors

	1999	1998
	£	£
Trade debtors	691	280
Other debtors	1,893	1,773
	<hr/>	<hr/>
	2,584	2,053
	<hr/>	<hr/>

4 Investment property held for disposal

	1999	1998
	£	£
Transfer from tangible fixed assets	38,500	-
	<hr/>	<hr/>

5 Creditors: amounts falling due within one year

	1999	1998
	£	£
Trade creditors	1,059	7,814
	<hr/>	<hr/>

Boldhelm Limited

Notes (continued)

6 Creditors: amounts falling due after more than one year

	1999 £	1998 £
Loan from a director	64,535	64,535
Loan from family trusts	61,486	61,486
	<hr/>	<hr/>
	126,021	126,021
	<hr/>	<hr/>

Mr JR Phillips is a trustee of the family trusts, of which Mr CR Phillips is one of the beneficiaries.

Both loans are interest free and have no fixed term for repayment. The director and the trustees of the family trusts have confirmed that no demand for repayment will be made within twelve months of the date on which the financial statements were approved.

7 Called up share capital

	1999 £	1998 £
<i>Authorised</i>		
1,000 ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

8 Investment property revaluation reserve

	£
Balance at 31 March 1998	-
Surplus on revaluation of investment property	26,841
	<hr/>
Balance at 31 March 1999	26,841
	<hr/>