

NEWATER INVESTMENTS LIMITED

Registered number: 00678567

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 SEPTEMBER 2001

WARNER & CO.
CHARTERED ACCOUNTANTS
LOWE HOUSE
55 TOWNSEND STREET
CHELTENHAM
GLOS. GL51 9HA



REPORT OF THE AUDITORS
TO NEWATER INVESTMENTS LIMITED
UNDER 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 6 together with the financial statements of the company for the year ended 29th September 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

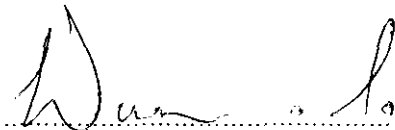
Basis of opinion

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 accounts and that these accounts 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 3 to 6 are properly prepared in accordance with those provisions.

Lowe House
55 Townsend Street
Cheltenham
Glos.
GL51 9HA



WARNER & CO.
Chartered Accountants &
Registered Auditor

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NEWATER INVESTMENTS LIMITED

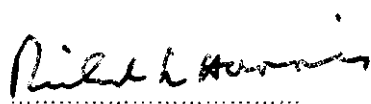
ABBREVIATED BALANCE SHEET


AS AT 29 SEPTEMBER 2001

	<u>Notes</u>	2001 £	2000 £
FIXED ASSETS			
Tangible assets	2	3,335,273	3,335,273
Investments	3	1,107,966	1,181,687
		<hr/> 4,443,239	<hr/> 4,516,960
CURRENT ASSETS			
Debtors		136,264	143,460
Cash at bank and in hand		335,191	256,404
		<hr/> 471,455	<hr/> 399,864
CREDITORS (amounts falling due within one year)		<hr/> 350,125	<hr/> 353,520
NET CURRENT ASSETS/(LIABILITIES)		<hr/> 121,330	<hr/> 46,344
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/> 4,564,569	<hr/> 4,563,304
CREDITORS (amounts falling due after more than one year)	4	<hr/> 309,675	<hr/> 309,541
		<hr/> 4,254,894	<hr/> 4,253,763
CAPITAL AND RESERVES			
Called up equity share capital	5	46,000	46,000
Profit and loss account		1,500,685	1,499,554
Revaluation reserve		2,708,209	2,708,209
		<hr/> 4,254,894	<hr/> 4,253,763

These accounts have 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.

Approved by the Board on 14 March 2002


R L HARRIS


M S COTTRILL

NEWATER INVESTMENTS LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 SEPTEMBER 2001

1 ACCOUNTING POLICIES

a) *Accounting convention*

The accounts have been prepared under the historical cost convention, as modified by the revaluation of investment properties, in accordance with applicable accounting standards.

b) *Turnover*

Turnover represents the total invoice value, excluding Value Added Tax, of rents receivable and services provided during the year.

c) *Depreciation*

No depreciation is provided on long leasehold land and buildings which are held as investment properties.

d) *Deferred taxation*

Provision is made for deferred taxation to the extent that it is expected that a liability will arise in the foreseeable future. Advance corporation tax is carried forward to the extent that it is recoverable in future accounting periods.

e) *Tangible assets - investment properties*

Investment properties are included at their open market value and are not subject to periodic charges for depreciation, unless they are leases having an unexpired term of 20 years or less. In compliance with Statement of Standard Accounting Practice No 19 this is an application of the true and fair override.

f) *Investments*

Fixed asset investments other than investment properties are shown at the lower of cost and market value. Dividends from investments are included in the profit and loss account upon receipt.

g) *Repairs and renewals*

Repairs and renewals are charged to the profit and loss account in the year in which they are incurred.

h) *Pension contributions*

Pension cost charges in respect of the defined contribution pension scheme are charged to profit and loss account when payable.

i) *Small Company Rules*

The full accounts have 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.

NEWATER INVESTMENTS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 SEPTEMBER 2001

2 TANGIBLE ASSETS

	<i>TOTAL</i> £
<u>Cost or valuation</u>	
At 30th September 2000	3,335,273
At 29th September 2001	<u>3,335,273</u>
<u>Net book value</u>	
At 30th September 2001	<u>3,335,273</u>
At 29th September 2000	<u>3,335,273</u>

Having discussed the matter with the professional advisers, the directors have decided the property should remain at a valuation of £ 3,156,436.

Assets included at a valuation would have been included on an historical cost basis at:

	2001 £	2000 £
Cost	627,064	627,064
Accumulated depreciation	(201,896)	(197,602)
At 29th September 2001	<u>425,168</u>	<u>429,462</u>

The depreciation charge arising on a historical basis on the leasehold premises would have been £ 4,294 (2000 £4,337).

NEWATER INVESTMENTS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 SEPTEMBER 2001

3 INVESTMENTS

	<i>Listed</i> £	<i>Unlisted</i> £	<i>Total</i> £
<u>Cost</u>			
At 30th September 2000	1,162,886	18,801	1,181,687
Additions	199,374	-	199,374
Disposals	(273,095)	-	(273,095)
At 29th September 2001	1,089,165	18,801	1,107,966
<u>Net book value</u>			
At 29th September 2001	1,089,165	18,801	1,107,966
At 29th September 2000	1,162,886	18,801	1,181,687
<u>Valuation</u>			
At 29th September 2001	770,111	87,550	857,661
At 29th September 2000	1,266,174	96,850	1,363,024

The valuation of listed investment is based on middle market prices and of unlisted investments is based on directors' valuation following informal professional advice. It is shown for information only and is not included the accounting records.

4 CREDITORS (amounts falling due after more than one year)

	<i>2001</i> £	<i>2000</i> £
Secured loan	300,000	300,000
Other creditors	9,675	9,541
	-	-
	309,675	309,541

The secured loan, for which the leasehold premises are charged as security, is repayable by one payment in July 2009. Interest at 1/2% per annum above the Bristol and West Building Society standard rate is payable thereon. At 29th September 2001, interest was payable by the company at a rate of 6.03% per annum (2000 - 7.68%)

NEWATER INVESTMENTS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 SEPTEMBER 2001

5 EQUITY SHARE CAPITAL

	2001	2000
Ordinary shares of £1 each		
Authorised	55,000	55,000
	<hr/>	<hr/>
Allotted and fully paid	46,000	46,000
	<hr/>	<hr/>

6 RELATED PARTY TRANSACTIONS

The company entered into a number of transactions with related parties during the year. The directors consider that all were entered into on an arms length basis.

<u>Name of related party</u>	<u>Reason party is related</u>	<u>Nature and amount of transactions</u>	<u>Year end balance</u>
Tewkesbury Marina Limited	3 directors are common to both companies.	£25,708 - charge for management services and accountancy by Tewkesbury Marina Ltd.	£18,515
Waterloo House (Birmingham) Limited	Investor having 21.7% of share capital; 3 directors common to both companies.	£1,500 - charge for administrative and property services by Waterloo House (Birmingham) Ltd	£NIL
		£18,396 - income for administrative services provided to Waterloo House (Birmingham) Ltd	£NIL