

REGISTERED NUMBER: 00678567

Report of the Directors and
Financial Statements
for the Year Ended 29th September 2013
for
NEWATER INVESTMENTS LIMITED

THURSDAY



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COMPANIES HOUSE

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for the Year Ended 29th September 2013

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NEWATER INVESTMENTS LIMITED

Company Information
for the Year Ended 29th September 2013

DIRECTORS:

D J Sebire
M S Cottrell
D J Suggitt
N R P Harris
R Blyth

SECRETARY:

L M Turner

REGISTERED OFFICE:

c/o Titanium Accountants Limited
8th Floor, Newater House
11 Newhall Street
Birmingham
West Midlands
B3 3NY

REGISTERED NUMBER:

00678567

AUDITORS:

Davies Mayers Barnett LLP
Statutory Auditors
Pillar House
113/115 Bath Road
Cheltenham
Gloucestershire
GL53 7LS

NEWATER INVESTMENTS LIMITED (REGISTERED NUMBER: 00678567)

Chairman's Report
for the Year Ended 29th September 2013

Results

The directors are pleased to present the Accounts for the year ended 29th September 2013. An important element is the 21% increase in rents and service charges receivable from Newater House to £306,480 (2012: £252,546). This was achieved from new lettings in the period and this increased turnover trend will continue in the current year. Cost of sales reduced to £288,579 (2012: £333,649); this was due to a 8.9% reduction in service charge costs in the year and a 40% reduction in void business rates.

The balance of the share portfolio was sold in the year. Realised gains during the year were £17,052 (2012: £16,248) and income from fixed asset investments comprised income of £1,468 (2012: £10,334) and net unrealised gains of £Nil (2012: £2,223).

Administrative expenses were reduced further in the year; again this was almost entirely due to a decrease in directors' fees. All other costs were broadly comparable with the previous year.

The loss on Ordinary Activities before Taxation was nearly halved on the previous year to £109,177 (2012: £206,985).

The value of Newater House has been maintained at cost in the financial statements, being £1.016m (2012: £1.016m). An independent valuation will be carried out in the current financial year and the reported value will be adopted in the 2014 accounts.

Newater House

During the year under review, ASC Connections renewed their lease of the part 1st floor, Curium Solutions completed a new lease on part 1st floor, Oval Insurance completed a new ten year lease on floors 2 and 3, City Press completed a new lease on the 6th floor and Titanium Accountants entered into a licence on the 8th floor. The only vacant space left in the building are the 4th floor and part 6th floor, which represent 19% of the total square footage.

The Board are also pleased to report that since the year end Haskoning, who had a break clause in their lease at the end of 2014, have entered into a deed of variation which effectively extends their lease term to at least December 2017.

Directors

It is my sad duty to report the death of Richard Harris who was one of the Company's founding members and Chairman for many years.

The non-executive directors continue to receive no payment for their services and the executive directors and professionals have maintained their reduced fees during this difficult time for the Company.

Financial Position

The Company's bank has recently renewed the overdraft facility. The directors will be seeking to reduce the level of bank borrowings in the coming years.

Dividends

The directors maintain their stance on dividend policy and consider it inappropriate to pay dividends while the Company is loss making. If additional lettings of the vacant space can be achieved, the Company is expected to return to profitability within two years, following which the dividend policy will be reviewed.

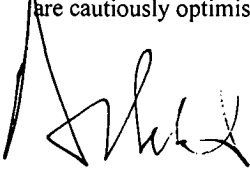
Annual General Meeting

The Annual General Meeting will be held on Wednesday 23rd April 2014 at 12.15pm at Newater House and I look forward to welcoming shareholders.

Chairman's Report
for the Year Ended 29th September 2013

Prospects

The Board believe the Company has turned the corner and is now in an improved position compared with recent years. The directors and professionals are working hard to let the remaining vacant space as soon as possible and the directors are cautiously optimistic about the future prospects for the Company.

A handwritten signature in black ink, appearing to read 'David J Sebire', is written over a faint, larger signature that is partially obscured.

David J Sebire
Chairman

7th March 2014

NEWATER INVESTMENTS LIMITED (REGISTERED NUMBER: 00678567)

Report of the Directors
for the Year Ended 29th September 2013

The directors present their report with the financial statements of the company for the year ended 29th September 2013.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property ownership and management.

DIRECTORS

The directors shown below have held office during the whole of the period from 30th September 2012 to the date of this report.

D J Sebire
M S Cottrell
D J Suggitt
N R P Harris
R Blyth

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



L M Turner - Secretary

7th March 2014

Report of the Independent Auditors to the Members of
Newater Investments Limited

We have audited the financial statements of Newater Investments Limited for the year ended 29th September 2013 on pages seven to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Chairman's Report and the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29th September 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

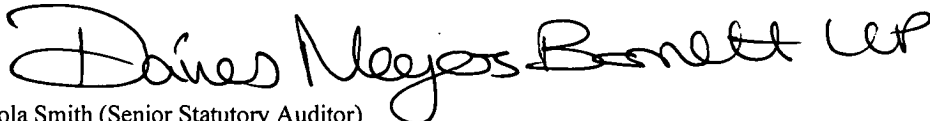
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
Newater Investments Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors.

A handwritten signature in black ink, appearing to read 'Davies Mayers Barnett LLP', is written over the printed name and firm name.

Nicola Smith (Senior Statutory Auditor)
for and on behalf of Davies Mayers Barnett LLP
Statutory Auditors
Pillar House
113/115 Bath Road
Cheltenham
Gloucestershire
GL53 7LS

24th March 2014

NEWATER INVESTMENTS LIMITED (REGISTERED NUMBER: 00678567)

Profit and Loss Account
for the Year Ended 29th September 2013

	Notes	2013 £	2012 £
TURNOVER		306,480	252,546
Cost of sales		<u>(288,579)</u>	<u>(333,649)</u>
GROSS PROFIT/(LOSS)		17,901	(81,103)
Administrative expenses		<u>(134,226)</u>	<u>(142,630)</u>
		<u>(116,325)</u>	<u>(223,733)</u>
Other operating income		<u>17,052</u>	<u>16,248</u>
OPERATING LOSS	2	(99,273)	(207,485)
Income from fixed asset investments		1,468	12,557
Interest receivable and similar income		<u>290</u>	<u>95</u>
		<u>(97,515)</u>	<u>(194,833)</u>
Interest payable and similar charges		<u>(11,662)</u>	<u>(12,152)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(109,177)	(206,985)
Tax on loss on ordinary activities	3	<u>18,990</u>	<u>33,995</u>
LOSS FOR THE FINANCIAL YEAR		<u>(90,187)</u>	<u>(172,990)</u>

The notes form part of these financial statements

NEWATER INVESTMENTS LIMITED (REGISTERED NUMBER: 00678567)

Statement of Total Recognised Gains and Losses
for the Year Ended 29th September 2013

	2013	2012
	£	£
LOSS FOR THE FINANCIAL YEAR	(90,187)	(172,990)
Unrealised deficit on		
revaluation of Leasehold Property	-	(1,918,791)
Unrealised surplus / (deficit) on		
revaluation of shares	-	2,921
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES		
RELATING TO THE YEAR	(90,187)	(2,088,860)
	<hr/>	<hr/>

The notes form part of these financial statements

NEWATER INVESTMENTS LIMITED (REGISTERED NUMBER: 00678567)

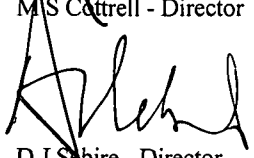
Balance Sheet
29th September 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Investments	4	1,035,010	1,168,581
CURRENT ASSETS			
Debtors	5	232,395	202,892
Cash at bank		15,947	22,433
		<u>248,342</u>	<u>225,325</u>
CREDITORS			
Amounts falling due within one year	6	(469,022)	(452,689)
NET CURRENT LIABILITIES		<u>(220,680)</u>	<u>(227,364)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		814,330	941,217
PROVISIONS FOR LIABILITIES	9	-	(18,990)
NET ASSETS		<u>814,330</u>	<u>922,227</u>
CAPITAL AND RESERVES			
Called up share capital	10	46,000	46,000
Revaluation reserve	11	-	17,710
Profit and loss account	11	768,330	858,517
SHAREHOLDERS' FUNDS		<u>814,330</u>	<u>922,227</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 7th March 2014 and were signed on its behalf by:


M S Cottrell - Director


D J Sebire - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 29th September 2013

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and on a going concern basis.

The current economic environment is difficult and the company has reported an operating loss for the year. The directors' consider that the outlook presents significant challenges in terms of rental and service charge income. However, after considering the uncertainties, the directors have a reasonable expectation that the company has adequate and potential resources to continue in operational existence for the foreseeable future. For these reasons, the going concern basis has been adopted in preparing the financial statements.

If the company were unable to continue to trade, adjustments would have to be made to reduce the value of the assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify long term liabilities as current liabilities.

Turnover

Turnover is comprised of rent receivable and associated services provided during the year, net of VAT. Rents are invoiced on the traditional quarter days in advance and an adjustment is made as at the Balance Sheet date to take account of any rent attributable to the subsequent accounting period. Where a lease includes a rent free period, this cost is spread over the period of the lease until the first rent review. Any unexpensed rent free period costs are deducted from accrued income.

Deferred tax

Deferred taxation is recognised in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date. Full provision is made without discounting for all deferred tax liabilities. No deferred tax provision has been made against potential capital gains tax arising from the revaluation of the property asset as there is no binding agreement to sell the property at the balance sheet date. Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered against taxable profits.

Investments

Listed investments are included at mid-market value at the balance sheet date. Unquoted investments are stated at cost less provision for permanent diminution in value.

Where the value of an investment has fallen below its original cost, the decrease in value is shown as an unrealised loss in the profit and loss account.

Where the value of an investment has risen above the original cost, the increase above cost is shown in the revaluation reserve in the balance sheet and not in the profit and loss account.

Where the value of an investment has historically fallen below its original cost but its value recovers, the increase in value up to its original cost is shown as an unrealised gain in the profit and loss account with any further increases in value above its original cost being shown in the revaluation reserve.

Dividends from investments are included in the profit and loss account when receivable.

Investment properties

Investment properties are included in the balance sheet at their existing use open market value in accordance with the Financial Reporting Standard for Smaller Entities and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair value of the financial position of the company.

Notes to the Financial Statements - continued
for the Year Ended 29th September 2013

2. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2013	2012
	£	£
Profit on disposal of fixed assets	(17,052)	(16,248)
Auditors remuneration	3,955	3,955
	<u> </u>	<u> </u>
Directors' remuneration and other benefits etc	20,634	43,360
	<u> </u>	<u> </u>

Directors' emoluments and other benefits as defined in paragraph 1 of Schedule 6 to the Companies Act 2006 were:

	2013	2012
	£	£
D J Sebire - fee	10,634	18,464
M S Cottrell	-	2,918
D J Suggitt	-	2,918
N R P Harris	-	2,918
R Blyth	10,000	13,224
D E Hurley - resigned 30th April 2012	-	2,918
	<u> </u>	<u> </u>
	20,634	43,360
	<u> </u>	<u> </u>

During the year ended 29th September 2012, emoluments in respect of D J Suggitt were paid to Southgate Splash Limited, a company in which he has an interest.

3. TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows:

	2013	2012
	£	£
Deferred taxation	(18,990)	(33,995)
	<u> </u>	<u> </u>
Tax on loss on ordinary activities	(18,990)	(33,995)
	<u> </u>	<u> </u>

Factors that may affect future tax charges

In prior years taxable losses have been incurred in relation to the disposal of investments and are available for use against future chargeable gains. A deferred tax asset has not been recognised as the company does not consider it prudent to anticipate sufficient chargeable gains from the sale of investments to arise within the immediate future. The estimated value of the deferred tax asset, measured at a standard rate of 20%, is £72,240 (2012: £74,980).

NEWATER INVESTMENTS LIMITED (REGISTERED NUMBER: 00678567)

Notes to the Financial Statements - continued
for the Year Ended 29th September 2013

4. FIXED ASSET INVESTMENTS

	2013	2012
	£	£
Other investments other than loans	1,035,010	1,168,581

OTHER INVESTMENTS SUMMARY:-

	2013	2012
	£	£
Listed investments	-	133,571
Unlisted investments	18,801	18,801
Leasehold property	1,016,209	1,016,209
At 29th September 2013	1,035,010	1,168,581

Investment Property - Leasehold property

	2013	2012
	£	£
<u>COST OR VALUATION</u>		
At 29th September 2012	1,016,209	2,935,000
Revaluation	-	(1,918,791)
At 29th September 2013	1,016,209	1,016,209

The Leasehold property is carried at the historic cost of £1,016,209 which the directors consider to be an appropriate valuation. This valuation is based on the advice of R Blyth, a Director, who is a Fellow of the Royal Institution of Chartered Surveyors (FRICS). In June 2007, the property was valued by C B Richard Ellis Surveyors, at a market value of £6,525,000. The property has since been revalued downwards by the Directors.

The historic cost of the Leasehold property at the year end is £1,016,209.

NEWATER INVESTMENTS LIMITED (REGISTERED NUMBER: 00678567)

Notes to the Financial Statements - continued
for the Year Ended 29th September 2013

FIXED ASSET INVESTMENTS - continued

Listed and unlisted investments

	Listed investment s £	Unlisted investments £	Totals £
COST OR VALUATION			
At 29th September 2012	133,571	18,801	152,372
Disposals	(133,571)	-	(133,571)
	<hr/>	<hr/>	<hr/>
At 29th September 2013	-	18,801	18,801
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 29th September 2013	-	18,801	18,801
	<hr/>	<hr/>	<hr/>
At 29th September 2012	133,571	18,801	152,372
	<hr/>	<hr/>	<hr/>

The historic cost of the listed investments at the balance sheet date was £Nil (2012: £147,153).

The Directors consider cost to be an appropriate valuation of the unlisted investments. At the balance sheet date, these investments are included at a cost of £18,801 (2012: £18,801).

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Trade debtors	83,704	69,789
Corporation tax recoverable	-	26,467
Prepayments and accrued income	148,691	106,636
	<hr/>	<hr/>
	232,395	202,892
	<hr/>	<hr/>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Bank loans and overdrafts	295,231	249,998
Trade creditors	6,730	51,756
Social security and other taxes	8,686	6,667
Other creditors	10,907	-
Accruals and deferred income	147,468	144,268
	<hr/>	<hr/>
	469,022	452,689
	<hr/>	<hr/>

NEWATER INVESTMENTS LIMITED (REGISTERED NUMBER: 00678567)

Notes to the Financial Statements - continued
for the Year Ended 29th September 2013

7. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2013	2012
	£	£
Expiring:		
In more than five years	<u>47,000</u>	<u>47,000</u>

8. SECURED DEBTS

The following secured debts are included within creditors:

	2013	2012
	£	£
Bank overdrafts	<u>295,231</u>	<u>249,998</u>

The bank overdraft is secured by a first legal charge over the company's investment property.

9. PROVISIONS FOR LIABILITIES

	2013	2012
	£	£
Deferred tax		
Accelerated capital allowances	72,255	71,890
Other timing differences	<u>(72,255)</u>	<u>(52,900)</u>
	<u>-</u>	<u>18,990</u>
		Deferred
		tax
		£
Balance at 30th September 2012		18,990
Transfer to profit and loss account		<u>(18,990)</u>
Balance at 29th September 2013		<u>-</u>

It is the company's policy not to provide for taxation in respect of the revalued property as there is no binding agreement to sell the property at the balance sheet date. If the property were disposed of at its current revalued amount, no tax liability would arise (2012: Nil).

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2013	2012
			£	£
46,000	Ordinary	£1	<u>46,000</u>	<u>46,000</u>

NEWATER INVESTMENTS LIMITED (REGISTERED NUMBER: 00678567)

Notes to the Financial Statements - continued
for the Year Ended 29th September 2013

11. RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 30th September 2012	858,517	17,710	876,227
Deficit for the year	(90,187)		(90,187)
Change in valuation of Investments	-	(17,710)	(17,710)
At 29th September 2013	<u>768,330</u>	<u>-</u>	<u>768,330</u>

12. CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date (2012: £Nil).

13. CAPITAL COMMITMENTS

There were no capital commitments at the balance sheet date (2012: £Nil).

14. RELATED PARTY DISCLOSURES

During the year, the company had transactions with related parties, which are disclosed in accordance with Financial Reporting Standard for Smaller Entities (effective April 2008).

D Suggitt, a director of the company, is also a director of Southgate Splash Limited which charged a directors fee of £Nil as disclosed in note 2 (2012: £2,918) and charged the company £Nil for expenses during the year (2012: £37). The balance outstanding at the year end is £ 417 (2012: £417) included within creditors.

R Blyth, a director of the company, also trades as Robert Blyth Commercial Property Consultancy which charged a directors fee of £10,000 disclosed in note 2 (2012: £13,224), R Blyth also charged the company £88 for expenses (2012: £Nil). The balance outstanding at the year end is £ 833 (2012: £833) included within creditors.

N R P Harris, a director of the company, charged the company £Nil for expenses during the year (2012: £161).