

**NEWATER INVESTMENTS LIMITED
(REGISTERED NUMBER 678567)**

ABBREVIATED ACCOUNTS

29 September 1994



Price Waterhouse



**AUDITORS' REPORT TO THE DIRECTORS OF
NEWATER INVESTMENTS LIMITED
PURSUANT TO PARAGRAPH 8 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 3 to 7 together with the full accounts of Newater Investments Limited for the year ended 29 September 1994. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors statement on page 3 and that the abbreviated accounts have been properly prepared from the full accounts.

In our opinion the company is entitled under Section 246 and 247 of the Companies Act 1985 to the exemptions conferred by Part 1 of Schedule 8 to that Act in respect of the year ended 29 September 1994, and the abbreviated accounts on pages 3 to 7 have been properly prepared in accordance with that Schedule.

On 17 February 1995 we reported as auditors of Newater Investments Limited, to the members on the full accounts prepared under Section 226 of the Companies Act 1985 for the year ended 29 September 1994 and our audit report was as follows:

"We have audited the financial statements on pages 5 to 14 which have been prepared under the historical cost convention as modified by the revaluation of investment properties and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 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.



**AUDITORS' REPORT TO THE DIRECTORS OF
NEWATER INVESTMENTS LIMITED
PURSUANT TO PARAGRAPH 8 OF SCHEDULE 8 TO THE COMPANIES ACT 1985
(CONTINUED)**

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 mis-statement, 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 as at 29 September 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985".

Price Waterhouse

**PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors**

17 February 1995

NEWATER INVESTMENTS LIMITED

BALANCE SHEET - 29 SEPTEMBER 1994

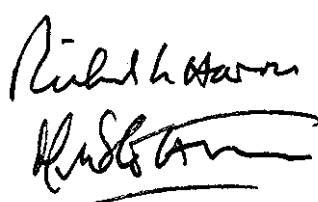
	Notes	1994	1993
FIXED ASSETS			
Tangible assets	2	3,100,000	2,765,727
Investments	3	<u>530,642</u>	<u>467,578</u>
		3,630,642	3,233,305
CURRENT ASSETS			
Debtors		105,208	76,578
Cash at bank and in hand		<u>127,075</u>	<u>149,396</u>
		232,283	225,974
CREDITORS (amounts falling due within one year)		<u>252,127</u>	<u>281,437</u>
NET CURRENT (LIABILITIES)/ASSETS		(19,844)	(55,463)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,610,798	3,177,842
CREDITORS (amounts falling due after more than one year)	4	<u>300,000</u>	<u>300,000</u>
		<u>£3,310,798</u>	<u>£2,877,842</u>
CAPITAL AND RESERVES			
Share capital	5	46,000	46,000
Profit and loss account		556,589	457,906
Revaluation reserve		<u>2,708,209</u>	<u>2,373,936</u>
		<u>£3,310,798</u>	<u>£2,877,842</u>

The directors have taken advantage of the exemptions confirmed by Part 1 of Schedule 8 to the Companies Act 1985 as entitling them to deliver abbreviated accounts on the grounds that the company is small.

Approved by the Board on 17 February 1995

DIRECTORS

RL Harris
MS Cottrell



NEWATER INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS - 29 SEPTEMBER 1994

1 ACCOUNTING POLICIES

(1) 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.

(2) Turnover

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

(3) Depreciation

Fixtures and fittings are depreciated at 20%. No depreciation is provided on long leasehold land and buildings which are held as investment properties.

(4) 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.

(5) 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 19 this is an application of the true and fair override.

(6) 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.

(7) Repairs and renewals

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

(8) Pension contributions

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

NEWATER INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS - 29 SEPTEMBER 1994 (CONTINUED)

2 TANGIBLE ASSETS

	Long Leasehold Investment <u>Property</u>
Cost/Valuation	
Valuation at 29 September 1993	2,765,727
Revaluation	<u>334,273</u>
Valuation and net book value at 29 September 1994	£3,100,000
	<hr/>
At 29 September 1993	£2,765,727
	<hr/>

Having discussed the matter with their professional advisers, the directors have decided to include the leasehold property at a valuation of £3,100,000.

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

	<u>1994</u>	<u>1993</u>
Cost	391,791	391,791
Accumulated depreciation	<u>(168,884)</u>	<u>(157,062)</u>
At 29 September 1994	<u>£222,907</u>	<u>£234,729</u>

The depreciation charge arising on a historical basis on the leasehold premises would have been £2,406 (1993 - £2,406) in respect of buildings and £9,416 (1993 - £9,416) in respect of plant and machinery.

NEWATER INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS - 29 SEPTEMBER 1994 (CONTINUED)

3 INVESTMENTS

Cost

At 29 September 1993	467,578
Additions	167,684
Disposals	<u>(104,620)</u>
Cost at 29 September 1994	<u>530,642</u>

Net book values after provisions

At 29 September 1994	<u>£530,642</u>
At 29 September 1993	<u>£467,578</u>

Market values

At 29 September 1994	<u>£554,554</u>
At 29 September 1993	<u>£514,912</u>

The market value of the unlisted investments is the directors' valuation.

No provision is required against the cost of investments.

Unlisted investments include the whole of the issued share capital of Newater Developments Limited, incorporated in England. That company did not trade during the year.

NEWATER INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS - 29 SEPTEMBER 1994 (CONTINUED)

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

	<u>1994</u>	<u>1993</u>
Secured loan	£300,000	£300,000
	<u> </u>	<u> </u>

The secured loan, for which the leasehold premises are charged as security, is repayable by one payment in July 1999. Interest at $\frac{1}{2}\%$ per annum above the Bristol and West Building Society standard rate is payable thereon. At 29 September 1994, interest was payable by the company at a rate of 8.64% per annum.

5 SHARE CAPITAL

	<u>1994 and 1993</u>
Ordinary shares at £1 each:	
Authorised	£55,000
	<u> </u>
Allotted and fully paid	£46,000
	<u> </u>