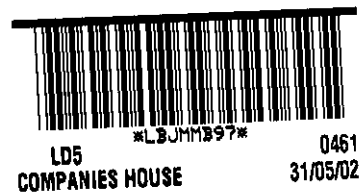


**WESTVIEW INVESTMENTS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 JULY 2001**



**Company Registration Number 2902264**

# **WESTVIEW INVESTMENTS LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2001**

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**WESTVIEW INVESTMENTS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

R F M Adair  
N J C Turnbull

**Company secretary**

T Walsh

**Registered office**

1 Portland Place  
London  
W1B 1PN

**Auditors**

Thompson Taraz  
Chartered Accountants  
& Registered Auditors  
3 New Burlington Mews  
Mayfair  
London  
W1B 4QB

# WESTVIEW INVESTMENTS LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 31 JULY 2001

The directors present their report and the financial statements of the company for the year ended 31 July 2001.

### PRINCIPAL ACTIVITIES

The principal activity of the company is the co-ordination of the activities of its subsidiaries and associates and property investment.

### THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 July 2001	At 1 August 2000
R F M Adair	-	-
N J C Turnbull	-	-

R F M Adair has an interest in the share capital of the company by virtue of his interest in the share capital of Westview Group Limited, the parent company.

### DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 8 to 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

### AUDITORS

A resolution to re-appoint Thompson Taraz as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

# WESTVIEW INVESTMENTS LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 JULY 2001

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
1 Portland Place  
London  
W1B 1PN

Signed by order of the directors

  
T WALSH  
Company Secretary

Approved by the directors on 30 May 2002

**WESTVIEW INVESTMENTS LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS**  
**YEAR ENDED 31 JULY 2001**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 8 to 9.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

As described on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with United Kingdom 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 misstatement, 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 31 July 2001 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

3 New Burlington Mews  
 Mayfair  
 London  
 W1B 4QB

*Thompson Tراز*  
 THOMPSON TARAZ  
 Chartered Accountants  
 & Registered Auditors

30 May 2002

**WESTVIEW INVESTMENTS LIMITED****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 JULY 2001**

	Note	2001 £	2000 £
<b>TURNOVER</b>		<b>30,000</b>	<b>30,000</b>
Administrative expenses		<u>(41,956)</u>	<u>(58,957)</u>
<b>OPERATING LOSS</b>	<b>2</b>	<b>(11,956)</b>	<b>(28,957)</b>
Amounts written off fixed assets investments		<u>4,097</u>	<u>28,680</u>
		<u>(7,859)</u>	<u>(277)</u>
Income from shares in group undertakings	<b>3</b>	<b>57,698</b>	<b>49,009</b>
Interest receivable		<b>194,278</b>	<b>3,926</b>
Interest payable		<u>(64,130)</u>	<u>(764,457)</u>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>179,987</b>	<b>(711,799)</b>
Tax on profit/(loss) on ordinary activities		-	-
<b>RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<u><b>179,987</b></u>	<u><b>(711,799)</b></u>

All of the activities of the company are classed as continuing.

**WESTVIEW INVESTMENTS LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**YEAR ENDED 31 JULY 2001**

	2001 £	2000 £
Profit/(Loss) for the financial year attributable to the shareholders	179,987	(711,799)
	<hr/>	<hr/>
Total gains and losses recognised since the last annual report	<u>179,987</u>	<u>(711,799)</u>



## WESTVIEW INVESTMENTS LIMITED

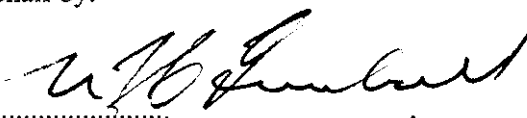
## BALANCE SHEET

31 JULY 2001

	Note	2001	2000
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	4	1,560,994	1,478,951
Investments	5	10,070,278	10,189,190
		<u>11,631,272</u>	<u>11,668,141</u>
<b>CURRENT ASSETS</b>			
Debtors	6	1,634,389	3,219,950
<b>CREDITORS: Amounts falling due within one year</b>	7	<u>(10,542,635)</u>	<u>(11,926,174)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(8,908,246)</u>	<u>(8,706,224)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,723,026</u>	<u>2,961,917</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	8	<u>-</u>	<u>(295,868)</u>
		<u>2,723,026</u>	<u>2,666,049</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	10	100	100
Revaluation reserve	11	7,605,289	7,728,299
Profit and Loss Account	12	(4,882,363)	(5,062,350)
<b>SHAREHOLDERS' FUNDS</b>	13	<u>2,723,026</u>	<u>2,666,049</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 30 May 2002 and are signed on their behalf by:

  
 .....  
 N J C TURNBULL

**WESTVIEW INVESTMENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2001**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets.

The financial statements present information about the company as an individual undertaking and not about its group. The company is exempt from preparing group accounts under Section 228 of the Companies Act 1985 as it is a subsidiary of Westview Group Limited, which is registered in England and Wales.

**Turnover**

Turnover represents rental and service charge income excluding value added tax and arises solely in the United Kingdom.

**Investment properties**

All completed investment properties are revalued by the Directors annually and by independent valuers' at least every five years, to reflect current market value. Changes in the value of investment properties are disclosed as movements on revaluation reserve, except for permanent diminutions, which are changed to the profit and loss account.

No depreciation or amortisation is provided in respect of freehold investment property in accordance with Statement of Standard Accounting Practice 19 (revised). The Directors consider that this accounting policy results in the financial statements giving a true and fair view. Profit and losses on the sale of investment properties are calculated on the difference between proceeds and net carrying amount, whether at valuation or historical cost.

Investment properties under development are included in the balanced sheet at cost or, in the case of a property which was a previously completed investment property, at book value with subsequent expenditure at cost. Cost includes interest and other attributable direct overheads less rents received where appropriate.

Investment property sales are reflected in the accounts if an unconditional contract is exchanged by the balance sheet date the sale has been completed before the date of approval of the accounts.

**Investment in subsidiary undertakings**

Investments in subsidiary and associated undertakings are carried at the original cost of the investment and adjusted for changes in the value of the underlying net assets. Surpluses are allocated to a revaluation reserve and deficits are recognised as an expense in the year they arise.

**Investments**

Fixed asset listed investments are stated at market value.

Listed investments held as current assets are stated at the lower of cost or market value, and unlisted current asset investments are stated at the lower of cost and estimated net realisable value.

**WESTVIEW INVESTMENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2001**

**1. ACCOUNTING POLICIES** *(continued)***2. OPERATING LOSS**

Operating loss is stated after charging:

	2001	2000
	£	£
Directors' emoluments	-	-
Auditors' fees	<u>500</u>	<u>500</u>

**3. INCOME FROM SHARES IN GROUP UNDERTAKINGS**

	2001	2000
	£	£
Dividend received	<u>57,698</u>	<u>49,009</u>

**4. TANGIBLE FIXED ASSETS**

	Investment Freehold Properties £
<b>COST OR VALUATION</b>	
At 1 August 2000	1,478,951
Additions	82,043
<b>At 31 July 2001</b>	<u>1,560,994</u>
<b>DEPRECIATION</b>	-
<b>NET BOOK VALUE</b>	
<b>At 31 July 2001</b>	<u>1,560,994</u>
At 31 July 2000	<u>1,478,951</u>

Investment properties were valued on an open market value 31 July 2001 by the Directors. No depreciation is provided in respect of investment properties, as stated in the accounting policy note 1. The Directors consider that this policy results in the financial statements showing a true and fair view as depreciation is reflected in the open market valuation of the property and cannot be separately quantified.

**WESTVIEW INVESTMENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2001**

**5. INVESTMENTS**

	Investment in Subsidiary Undertakings £	Listed Investments £	Total £
<b>COST OR VALUATION</b>			
At 1 August 2000	10,029,399	159,791	10,189,190
Additions	1	-	1
Revaluations	(163,982)	45,069	(118,913)
At 31 July 2001	<u>9,865,418</u>	<u>204,860</u>	<u>10,070,278</u>
<b>NET BOOK VALUE</b>			
At 31 July 2001	<u>9,865,418</u>	<u>204,860</u>	<u>10,070,278</u>
At 31 July 2000	<u>10,029,399</u>	<u>159,791</u>	<u>10,189,190</u>

The company owns 100% of the issued share capital of the companies listed below,

Company Name	Nature of Business
Port Hampton Limited	Property Investment and Mooring Hire
Terrace Hill Limited	Investment Holding Company
PCG Investments Limited	Investment Holding Company
Peak Village Estates Limited	Property Investment Company
Earlycall Limited	Investment Holding Company

Listed investments are included at the value quoted on the Alternative Investment Market at 31 July 2001 of 12.5p (2000: 9.75p) per share.

**6. DEBTORS**

	2001 £	2000 £
Amounts owed by group undertakings	1,612,148	2,804,648
Other debtors	<u>22,241</u>	<u>415,302</u>
	<u>1,634,389</u>	<u>3,219,950</u>

**WESTVIEW INVESTMENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2001**

**7. CREDITORS: Amounts falling due within one year**

	2001	2000
	£	£
Bank loans and overdrafts	1,320,829	218,946
Trade creditors	2,595	-
Amounts owed to group undertakings and undertakings in which the company has a participating interest	9,199,052	11,683,891
Other creditors	-	100
Accruals and deferred income	20,159	23,237
	<u>10,542,635</u>	<u>11,926,174</u>

The bank loans are secured by a fixed charge on the company's property and a floating charge over the company's other assets and is further secured by collateral owned by the Adair Trusts and also guarantees from Platts Eyot Limited. Interest is payable at varying commercial rates.

**8. CREDITORS: Amounts falling due after more than one year**

	2001	2000
	£	£
Bank loans and overdrafts	-	295,868

**9. RELATED PARTY TRANSACTIONS**

The controlling party during the period was Saffery Champness Trust Corporation, trustees of a life interest trust of which R F M Adair is a beneficiary.

The following related party transactions occurred during the period:

Interest payable to Terrace Hill (Hampton) Limited of £nil (2000:£645,481).

Office facilities and staff costs were incurred from Terrace Hill Partnership of £40,845 (2000:£39,000).

The collateral to support bank borrowings is pledged by the Adair Trusts. R F M Adair is a director of the parent company which is controlled by life interest trusts established for the benefit of R F M. Adair.

R F M Adair, a director of Westview Investments Limited, has an interest in the shareholding of Terrace Hill (Hampton) Limited and he is a partner in Terrace Hill Partnership.

N J C Turnbull, a director of Westview Investments Limited, is also a director of Terrace Hill (Hampton) Limited and Platts Eyott Limited and he is a partner in Terrace Hill Partnership.

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, 'Related Party Transactions,' not to disclose any transactions with entities that are included in the consolidated financial statements of Westview Group Limited.

# WESTVIEW INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2001

### 10. SHARE CAPITAL

#### Authorised share capital:

	2001	2000
	£	£
1,000 Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

#### Allotted, called up and fully paid:

	2001	2000
	£	£
Ordinary share capital	<u>100</u>	<u>100</u>

### 11. REVALUATION RESERVE

	2001	2000
	£	£
Balance brought forward	7,728,299	4,385,581
Revaluation of investment in subsidiaries	(163,982)	3,342,718
Revaluation of listed investments	40,972	-
Balance carried forward	<u>7,605,289</u>	<u>7,728,299</u>

### 12. PROFIT AND LOSS ACCOUNT

	2001	2000
	£	£
Balance brought forward	(5,062,350)	(4,350,551)
Retained profit/(loss) for the financial year	<u>179,987</u>	<u>(711,799)</u>
Balance carried forward	<u>(4,882,363)</u>	<u>(5,062,350)</u>

### 13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Profit/(Loss) for the financial year	179,987	(711,799)
Revaluation of investment in subsidiaries	(163,982)	3,342,718
Revaluation of listed investments	40,972	-
Net addition to funds	<u>56,977</u>	<u>2,630,919</u>
Opening shareholders' equity funds	<u>2,666,049</u>	<u>35,130</u>
Closing shareholders' equity funds	<u>2,723,026</u>	<u>2,666,049</u>

### 14. ULTIMATE PARENT COMPANY

The parent company is Westview Group Limited, which is registered in England and Wales.