

CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2000

COMPANY NUMBER: 2952746



CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000

CONTENTS

	<u>Page</u>
Directory	1
Directors' Report	2 and 3
Auditors' Report	4
Profit and Loss Account	5
Statement of Total Recognised Gains and Losses	6
Balance Sheet	7
Notes to the Financial Statements	8 to 11
Additional Information	12 to 13

CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2000

Company Number	2952746
Directors	C A Hartley (Appointed on 21 September 2000 and resigned on 12 January 2001) Miss A F K Pierson D J L Abbot (Resigned 25 January 2001) B I Olsson (Appointed 1 November 2000)
Secretary	Miss A F K Pierson (Resigned 12 February 2001) D Hare (Appointed 12 February 2001)
Registered Office	Clifton St Peters Road Bournemouth BH1 2LT
Auditors	Thompson Jenner Chartered Accountants and Registered Auditors Exeter Devon
Bankers	Royal Bank of Scotland Plc and National Westminster Bank Plc

CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2000

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31 December 2000.

RESULTS AND DIVIDENDS

The results for the period are set out in the attached profit and loss account. The directors do not recommend the payment of a dividend.

REVIEW OF THE BUSINESS

The principal activity of the company is the provision of corporate financial consultancy services. The company is regulated by the Securities and Futures Authority Limited. The results for the year are set out in the profit & loss account and show a loss after tax of £2,075 (1999 as restated £109,854). The directors aim to maintain the management policies that have resulted in the steady growth in the company, and consider that the company is in a good position to take advantage of any opportunities which may arise in the future.

DIRECTORS

None of the directors held any interest in the share capital of the company. During the course of the year the ultimate parent company changed from Christows Group Ltd to EVC Christows PLC. The interests of the directors in the share capital of EVC Christows Plc are shown below. The directors holding office during the period are also shown in the table below:-

	1p Ordinary Shares in EVC Christows PLC at 31/12/00	£1 Ordinary Shares in Christows Group Ltd at 1/3/00
D J L Abbot (Resigned 25 January 2001)	56,601,681	45,000
Miss A F K Pierson	8,718,085	10,000
B I Olsson (Appointed 1 November 2000)	-	-
C A Hartley (Appointed 21 September and resigned on 12 January 2001)	3,175,995	-

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which 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 those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable standards have been followed, subject to any material departures described and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business;

CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

REPORT OF THE DIRECTORS (CONTD.)

FOR THE YEAR ENDED 31 DECEMBER 2000

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 accounts comply with the Companies Act 1985. 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.

INCOME AND CORPORATION TAXES ACT 1988

The company is a close company within the meaning of the above Act.

AUDITORS

During 2000 Clark Kennedy White Limited resigned as auditors and Thompson Jenner were appointed in their place. In accordance with Section 385 Companies Act 1985 a resolution proposing the re-appointment of Messrs Thompson Jenner as auditors to the company will be put to the Annual General Meeting.

This report was approved by the Board on *28th March 2001*

Clifton
St Peters Road
Bournemouth
BH1 2LT

B. Jenner
Mr B. T. OLSON
Director

By order of the Board

~~*A. F. K. Pierson*~~
Miss A F K Pierson
Director

AUDITORS' REPORT
TO THE MEMBERS OF
CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LTD)

We have audited the financial statements on pages 5 to 11, which have been prepared under the historical cost convention and the accounting policies on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 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.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An Audit includes an 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 December 2000 and of its profits for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



THOMPSON JENNER,
CHARTERED ACCOUNTANTS,
REGISTERED AUDITORS,
EXETER

29. 3. 2001

CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2000

	Note	2000 £	1999 As restated £
TURNOVER	2	286,564	273,025
Administrative expenses		<u>(295,861)</u>	<u>(140,589)</u>
OPERATING (LOSS)/PROFIT	4	(9,297)	132,436
Interest receivable and similar income		<u>7,801</u>	<u>4,960</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,496)	137,396
Taxation on profit on ordinary activities	6	<u>(579)</u>	<u>(27,542)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(2,075)</u>	<u>109,854</u>

CONTINUED OPERATIONS

None of the company's activities were acquired or discontinued during the current period.

The notes on pages 8 to 11 form part of these financial statements.

CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Note	2000 £	1999 As restated £
(Loss)/Profit for the financial year		<u>(2,075)</u>	<u>109,854</u>
Total recognised gains and losses relating to the year		<u>(2,075)</u>	<u>109,854</u>
Prior year adjustment	15	<u>22,940</u>	
Total recognised gains and losses since last annual report		<u>20,865</u>	

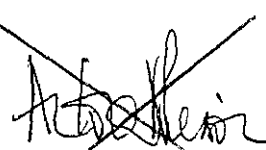
The notes on pages 8 to 11 form part of these financial statements.


CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

BALANCE SHEET AS AT 31 DECEMBER 2000

	Note	2000		1999	
		£	£	As restated £	£
CURRENT ASSETS					
Debtors	7	44,887		219,836	
Cash at bank and in hand		<u>437,167</u>		<u>177,944</u>	
		482,054		397,780	
CREDITORS - amounts falling due within one year					
	8	<u>(150,697)</u>		<u>(64,348)</u>	
NET CURRENT ASSETS			<u>331,357</u>		<u>333,432</u>
Total assets less current liabilities			<u>331,357</u>		<u>333,432</u>
CAPITAL AND RESERVES					
Called up share capital	9	36,000		36,000	
Profit and loss account		<u>295,357</u>		<u>297,432</u>	
Shareholders Funds & Equity Interests	10	<u>331,357</u>		<u>333,432</u>	

The financial statements of pages 5 to 11 were approved by the directors on ^{28 March} ~~xxxxxx~~ 2001 and signed on its behalf by


Miss A F K Pierson


Mr B. I. OLSSON

CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000

1 ACCOUNTING POLICIES

a) Accounting Convention

The financial statements have been prepared under the historical cost convention and incorporate the results of the principle activity which is described in the directors' report and which is continuing. The financial statements have been prepared in accordance with applicable Accounting Standards.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cashflow statement on the grounds that it is a wholly owned subsidiary.

b) Foreign Currencies

Assets, liabilities, revenues and costs determined in foreign currencies are recorded at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities at the balance sheet are translated at the closing rate. All exchange differences thus arising are reported as profits/losses for the period.

2 TURNOVER

Turnover represents the net amount receivable for services supplied by the company in the ordinary course of its business, exclusive of VAT.

The company's turnover and operating profit arose wholly from operations carried out in the United Kingdom.

3 STAFF COSTS

The average weekly number of employees including directors during the year was 2 (1999: 2).

Staff costs including directors remuneration	2000	1999
were as follows:	£	£
Wages and salaries	129,616	-
Social Security costs	<u>13,610</u>	<u>-</u>
	<u>143,226</u>	<u>-</u>

4 OPERATING PROFIT

Operating profit is stated after charging:

	2000	1999
	£	£
Auditor's remuneration	5,000	2,000
Directors emoluments (see note 5 below)	56,400	-

CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000 (continued)

5 DIRECTORS EMOLUMENTS

	2000	1999
	£	£
Remuneration as executives	<u>56,400</u>	—
Included in the above are emoluments, excluding pension contributions paid for:		
Chairman	<u>NIL</u>	<u>NIL</u>
Highest paid director	<u>40,968</u>	—

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2000	1999
	£	As restated £
Based on the profit for the year:		
UK corporation tax at 30% (1999: 20%)	—	27,542
Underprovision in prior year	<u>579</u>	—
	<u>579</u>	<u>27,542</u>

7 DEBTORS

	2000	1999
	£	£
Trade debtors	34,203	12,006
Amounts owed by other group undertakings	10,684	196,048
Prepayments & accrued income	—	<u>11,782</u>
	<u>44,887</u>	<u>219,836</u>

8 CREDITORS – amounts falling due within one year

	2000	1999
	£	As restated £
Amounts owing to other group undertakings	110,625	—
Corporation tax	27,818	33,584
Other taxes	7,254	—
Accruals and deferred income	<u>5,000</u>	<u>30,764</u>
	<u>150,697</u>	<u>64,348</u>

CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000 (continued)

9 CALLED UP SHARE CAPITAL

	Ordinary shares of £1 each 1999 & 2000	
	No	£
Authorised	<u>36,000</u>	<u>36,000</u>
Allotted, issued & fully paid	<u>36,000</u>	<u>36,000</u>

10 RESERVES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	£
Shareholders funds at 31 December 1998	223,578
Profit for the year as previously stated	<u>86,914</u>
Shareholders funds at 31 December 1999 as previously stated	310,492
Prior year adjustment	<u>22,940</u>
Shareholders funds at 31 December 1999 as restated	333,432
Loss for the year	<u>(2,075)</u>
Shareholders funds at 31 December 2000	<u>331,357</u>

Shareholders funds is the total of the issued share capital and reserves

11 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2000 (31 December 1999: nil).

12 FINANCIAL COMMITMENTS

The company had no capital or other financial commitments at 31 December 2000 (31 December 1999: nil).

13 ULTIMATE PARENT COMPANY

The directors consider that the ultimate parent company of Christows Capital Ltd is EVC Christows Plc, registered in England & Wales, by virtue of it holding 100% of the issued share capital of Christows Group Limited, which in turn holds 100% of the issued share capital of this company.

14 RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of EVC Christows Plc, advantage has been taken of the exemption conferred by Financial Reporting Standard 8 not to disclose transactions which fall within the group headed by EVC Christows Plc.

CHRISTOWS CAPITAL LIMITED
(FORMERLY BOW LANE CAPITAL LIMITED)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2000 (continued)

15 PRIOR YEAR ADJUSTMENT

During the previous year a commission payment of £28,764 had been recorded twice in the profit & Loss Account due to an outstanding cheque also being treated as an accrual. The correction of this error has also resulted in an additional taxation charge of £5,824.