

**BROOKSTREAM PROPERTIES LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**FOR**  
**30 JUNE 2000**

**MICHAEL MOOR**

Chartered Accountants & Registered Auditor  
190 Clonkeen Road,  
Blackrock,  
Co. Dublin.



# **BROOKSTREAM PROPERTIES LIMITED**

## **ABBREVIATED FINANCIAL STATEMENTS**

**YEAR ENDED 30 JUNE 2000**

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**BROOKSTREAM PROPERTIES LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

<b>The board of directors</b>	Mr. L.A. Comer Mr. B.M. Comer
<b>Company secretary</b>	Grosvenor Financial Nominees Ltd.
<b>Registered office</b>	277 Green Lanes London N13 4XS
<b>Auditor</b>	Michael Moor Chartered Accountants & Registered Auditor 190 Clonkeen Road, Blackrock, Co. Dublin.
<b>Bankers</b>	Bank of Ireland 727 High Road, Finchley, London. N12 0BJ
<b>Solicitors</b>	Jonathan S. Rose 693 High Road, Finchley, London. N12 0DA

# **BROOKSTREAM PROPERTIES LIMITED**

## **AUDITOR'S REPORT TO THE COMPANY**

### **PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

I have examined the abbreviated accounts on pages 5 to 13, together with the financial statements of the company for the year ended 30 June 2000 prepared under Section 226 of the Companies Act 1985.

#### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITOR**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is my responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

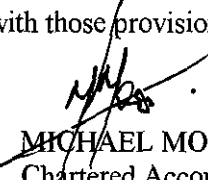
#### **BASIS OF OPINION**

I have carried out the procedures I consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of my work for the purpose of this report did not include examining or dealing with events after the date of my report on the financial statements.

#### **OPINION**

In my opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 5 to 13 are properly prepared in accordance with those provisions.

190 Clonkeen Road,  
Blackrock,  
Co. Dublin.

  
**MICHAEL MOOR**  
Chartered Accountants  
& Registered Auditor

21 March 2001

# BROOKSTREAM PROPERTIES LIMITED

## THE DIRECTORS' REPORT

### YEAR ENDED 30 JUNE 2000

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 June 2000.

#### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was property development.

The company had a very successful year, selling fifty-one units at Princess Park Manor for £11,630,434 and generating net profits before tax of £3,687,814. As the Directors of the company are employed by Opecprime Properties Ltd, a related company, a management charge of £1,850,000 was accepted from that company to reflect the management benefits accrued. The company had various planning applications lodged with the local Authority regarding newbuild units.

Esporta plc, who will be the tenants of the Leisure Centre, were involved in fitting-out and planning applications were submitted for various alterations to the Leisure Centre.

During the year the company purchased a site at Hurlingham Wharf, Fulham and will be seeking planning permission for riverside residential units. At the year end the position was unclear as to the effect the Ministerial Order regarding working wharves on the Thames would have on any future development, but the company is hopeful of a positive outcome.

The company is confident of further profits in the coming year. The planning application for the Leisure Centre alterations was finalised and the other newbuild applications were consolidated into one application, which is ongoing.

#### RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

#### 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 30 June 2000	At 1 July 1999
Mr. L.A. Comer	51	84
Mr. B.M. Comer	33	-
	<hr/>	<hr/>

#### 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.

# BROOKSTREAM PROPERTIES LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2000

### DIRECTORS' RESPONSIBILITIES *(continued)*

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 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.

### DONATIONS

During the year the company made the following contributions:

	2000	1999
	£	£
Charitable	824	-

### POST BALANCE SHEET EVENT

There were no important events affecting the company since the year end.

### AUDITOR

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

Registered office:  
277 Green Lanes  
London N13 4XS

Signed by order of the directors

  
GROSVENOR FINANCIAL NOMINEES LTD.  
Company Secretary

Approved by the directors on 21 March 2001

**BROOKSTREAM PROPERTIES LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 JUNE 2000**

	Note	2000 £	1999 £
<b>GROSS PROFIT</b>		5,942,429	2,099,769
Administrative expenses		2,023,317	538,722
<b>OPERATING PROFIT</b>	<b>2</b>	3,919,112	1,561,047
Interest receivable		4,414	10,167
Interest payable	<b>4</b>	(237,212)	(683,103)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		3,686,314	888,111
Tax on profit on ordinary activities	<b>5</b>	(1,108,100)	(275,000)
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		2,578,214	613,111
Balance brought forward		688,984	75,873
Balance carried forward		<u>3,267,198</u>	<u>688,984</u>

The company has no recognised gains or losses other than the results for the year as set out above.

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

## BROOKSTREAM PROPERTIES LIMITED

## ABBREVIATED BALANCE SHEET

30 JUNE 2000

	Note	2000	1999
		£	£
<b>CURRENT ASSETS</b>			
Stocks	6	2,967,545	2,264,213
Debtors	7	8,944,256	8,742,782
Cash at bank		185,013	267,682
		<u>12,096,814</u>	<u>11,274,677</u>
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>(8,829,516)</u>	<u>(10,585,593)</u>
<b>NET CURRENT ASSETS</b>		<u>3,267,298</u>	<u>689,084</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,267,298</u>	<u>689,084</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	11	100	100
Profit and Loss Account		<u>3,267,198</u>	<u>688,984</u>
<b>SHAREHOLDERS' FUNDS</b>	12	<u>3,267,298</u>	<u>689,084</u>

These accounts have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 21 March 2001 and are signed on their behalf by:

MR. L.A. COMER

MR. B.M. COMER






# BROOKSTREAM PROPERTIES LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 30 JUNE 2000

	2000	1999
	£	£
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	5,348,007	2,714,039
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest received	4,414	10,167
Interest paid	(237,212)	(683,103)
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	(232,798)	(672,936)
<b>TAXATION</b>	(23,450)	1
<b>INCREASE IN CASH</b>	<u>5,091,759</u>	<u>2,041,104</u>

### RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2000	1999
	£	£
Operating profit	3,919,112	1,561,047
(Increase)/Decrease in stocks	(703,332)	468,083
(Increase)/Decrease in debtors	(201,474)	510,932
Increase in creditors	2,333,701	173,977
<b>Net cash inflow from operating activities</b>	<u>5,348,007</u>	<u>2,714,039</u>

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2000	1999
	£	£
Increase in cash in the period	5,091,759	2,041,104
Movement in net debt in the period	<u>5,091,759</u>	<u>2,041,104</u>
<b>Net debt at 1 July 1999</b>	(5,521,934)	(7,563,038)
<b>Net debt at 30 June 2000</b>	<u>(430,175)</u>	<u>(5,521,934)</u>

# BROOKSTREAM PROPERTIES LIMITED

## CASH FLOW STATEMENT *(continued)*

YEAR ENDED 30 JUNE 2000

### ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jul 1999 £	Cash flows £	At 30 Jun 2000 £
Net cash:			
Cash in hand and at bank	267,682	(82,669)	185,013
Overdrafts	(5,789,616)	5,174,428	(615,188)
Net debt	<u>(5,521,934)</u>	<u>5,091,759</u>	<u>(430,175)</u>

**BROOKSTREAM PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2000**

**1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

**Turnover**

Turnover represents sales of properties or interests in properties to outside parties. Sales are recognised on completion of contracts.

**Stocks**

Stocks are valued at the lower of cost and net realisable value.

Cost represents the total purchase costs and other ancilliary professional fees but does not include any interest payable. Net realisable value is the amount at which the properties can be sold in the normal course of business after allowing for the costs of realisation.

**2. OPERATING PROFIT**

Operating profit is stated after charging:

	2000 £	1999 £
Directors' emoluments	-	-
Auditor's remuneration - as auditor	<u>1,500</u>	<u>1,500</u>

**3. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to:

	2000 No.	1999 No.
Directors	<u>2</u>	<u>2</u>

No salaries or wages have been paid to employees, including the directors, during the year.

**4. INTEREST PAYABLE**

	2000 £	1999 £
Interest payable on bank borrowing	<u>237,212</u>	<u>683,103</u>

**BROOKSTREAM PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2000**

**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2000 £	1999 £
In respect of the year:		
Corporation Tax based on the results for the year at 30% (1999 - 31%)	1,110,000	275,000
Adjustment in respect of previous years:		
Corporation Tax	(1,900)	-
	<u>1,108,100</u>	<u>275,000</u>

**6. STOCKS**

	2000 £	1999 £
Stock	<u>2,967,545</u>	<u>2,264,213</u>

**7. DEBTORS**

	2000 £	1999 £
Other debtors	<u>8,944,256</u>	<u>8,742,782</u>

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

	2000 £	1999 £
Bank loans and overdrafts	615,188	5,789,616
Other creditors	8,213,334	4,795,977
Accruals and deferred income	994	-
	<u>8,829,516</u>	<u>10,585,593</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2000 £	1999 £
Bank loans and overdrafts	<u>615,093</u>	<u>5,789,268</u>

Anglo Irish Bank Corporation plc hold a debenture to incorporate a first fixed legal charge over the company's property at Princess Park Manor, Friern Barnet Road, London N11 and also two third party first fixed legal charges as detailed in the note on Related Parties.

**BROOKSTREAM PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2000**

**9. CONTINGENCIES**

The company has a liability contingent upon the footprint square footage of new build apartments over a maximum specified in the contract for the purchase of the Friern Barnet Hospital. The directors do not envisage that this footprint square footage will be exceeded and therefore no liability should arise.

There is a guarantee facility of £462,000 held by Anglo Irish Bank Corporation plc at the year end.

The company acts as guarantors to Anglo Irish Bank Corporation plc for cross collateralised loan facilities extended to Miltonland Ltd., Opecprime Properties Ltd., Sancroft Properties Ltd., Balcraft Properties Ltd. and Ridgeland Properties Ltd. The liabilities outstanding to the bank in these companies at the year end was as follows:

Miltonland Ltd.	nil
Opecprime Properties Ltd.	£11,801,667
Sancroft Properties Ltd.	4,793,653
Balcraft Properties Ltd.	1,954,600
Ridgeland Properties Ltd.	4,598,554

**BROOKSTREAM PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2000**

**10. RELATED PARTY TRANSACTIONS**

The company was under the control of Mr. L.A. Comer and Mr. B.M. Comer throughout the current and previous year. Mr. L.A. Comer is the managing director and majority shareholder.

The company provided the majority of the funding for Opecprime Development Ltd., which carried out building and development works for the company on its site at Friern Barnet Road.

The indebtedness of related companies at the year end was as follows:

Opecprime Development Ltd.	£ 946,463
Palacemews Properties Ltd.	85,120
Chantstream Ltd.	6,669,553
Ridgeland Properties Ltd.	1,237,649
Sancroft Properties Ltd.	801
Balcraff Properties Ltd.	2,722
	<u>=====</u>

These amounts are included in other debtors.

The indebtedness to related companies at the year end was as follows:

Opecprime Properties Ltd.	£4,301,700
Miltonland Ltd.	933,825
Seapark Properties Ltd.	846,250
	<u>=====</u>

This amount is included in other creditors.

Anglo Irish Bank Corporation plc holds third party fixed legal mortgages over The American University, Bushey, Herts owned by Chantstream Ltd. and over Platinum House, Lyon Road, Harrow owned by Miltonland Ltd.

The notes above on Creditors and on Contingent Liabilities contain further information regarding related parties.

**11. SHARE CAPITAL****Authorised share capital:**

	<b>2000</b>	<b>1999</b>
	£	£
1,000 Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

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

	<b>2000</b>	<b>1999</b>
	£	£
Ordinary share capital	<u>100</u>	<u>100</u>

**BROOKSTREAM PROPERTIES LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 JUNE 2000**

**12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2000 £	1999 £
Profit for the financial year	2,578,214	613,111
Opening shareholders' equity funds	<u>689,084</u>	<u>75,973</u>
Closing shareholders' equity funds	<u>3,267,298</u>	<u>689,084</u>