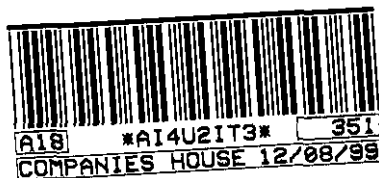


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WATERSIDE PROPERTIES UK LTD
FINANCIAL STATEMENTS
30TH APRIL 1999

Company Registration Number 3360204



C.R. THOMAS & CO.

Chartered Accountants

WATERSIDE PROPERTIES UK LTD

FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 1999

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WATERSIDE PROPERTIES UK LTD**THE DIRECTORS' REPORT****YEAR ENDED 30TH APRIL 1999**

The directors present their report and the unaudited financial statements of the company for the year ended 30th April 1999.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was acting as estate agents for marina, coastal and riverside properties.

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 April 1999	At 1 May 1998
M Edgar	1	-
P Halliday	1	-
	<hr/>	<hr/>

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.

Signed on behalf of the directors

M Edgar
Director



Approved by the directors on 20/7 1999

WATERSIDE PROPERTIES UK LTD**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30TH APRIL 1999**

	Note	Year to 30 Apr 99 £	Period from 25 Apr 97 to 30 Apr 98 £
TURNOVER		184,815	105,310
Cost of sales		20,702	22,958
GROSS PROFIT		164,113	82,352
Administrative expenses		127,658	105,017
OPERATING PROFIT/(LOSS)	2	36,455	(22,665)
Interest payable		-	5
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		36,455	(22,670)
Tax on profit/(loss) on ordinary activities	3	2,928	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		33,527	(22,670)
Equity dividends paid		30,000	-
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		3,527	(22,670)
Balance brought forward		(22,670)	-
Balance carried forward		(19,143)	(22,670)

The notes on pages 5 to 7 form part of these financial statements.

WATERSIDE PROPERTIES UK LTD**BALANCE SHEET****30TH APRIL 1999**

	Note	1999		1998	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		5,137		1,086
CURRENT ASSETS					
Debtors	5	11,157		15,679	
Cash at bank and in hand		3,721		5,999	
		14,878		21,678	
CREDITORS: Amounts falling due within one year	6	(39,156)		(45,432)	
NET CURRENT LIABILITIES			(24,278)		(23,754)
TOTAL ASSETS LESS CURRENT LIABILITIES			(19,141)		(22,668)

The balance sheet continues on the following page.

The notes on pages 5 to 7 form part of these financial statements.

WATERSIDE PROPERTIES UK LTD**BALANCE SHEET** *(continued)***30TH APRIL 1999**

	Note	1999 £	1998 £
CAPITAL AND RESERVES			
Called-up equity share capital	8	2	2
Profit and loss account	9	(19,143)	(22,670)
DEFICIENCY		<u>(19,141)</u>	<u>(22,668)</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

These financial statements were approved by the directors on the 20/7 1999 and are signed on their behalf by:

.....
M EDGAR


P HALLIDAY

WATERSIDE PROPERTIES UK LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30TH APRIL 1999

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 25% reducing balance basis

2. OPERATING PROFIT/LOSS

Operating profit/loss is stated after charging:

	Year to 30 Apr 99 £	Period from 25 Apr 97 to 30 Apr 98 £
Directors' emoluments	24,000	24,000
Depreciation	<u>1,712</u>	<u>272</u>

3. TAX ON PROFIT/LOSS ON ORDINARY ACTIVITIES

	Year to 30 Apr 99 £	Period from 25 Apr 97 to 30 Apr 98 £
Corporation tax based on the results for the year at 21% (1998 - 21%)	<u>2,928</u>	<u>-</u>

WATERSIDE PROPERTIES UK LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30TH APRIL 1999

4. TANGIBLE FIXED ASSETS

	Equipment £
COST	
At 1st May 1998	1,358
Additions	<u>5,763</u>
At 30th April 1999	<u>7,121</u>
DEPRECIATION	
At 1st May 1998	272
Charge for the year	<u>1,712</u>
At 30th April 1999	<u>1,984</u>
NET BOOK VALUE	
At 30th April 1999	<u>5,137</u>
At 30th April 1998	<u>1,086</u>

5. DEBTORS

	1999 £	1998 £
Trade debtors	5,000	15,479
Amounts owed by group undertakings	6,157	-
Other debtors	-	200
	<u>11,157</u>	<u>15,679</u>

6. CREDITORS: Amounts falling due within one year

	1999 £	1998 £
Corporation tax	2,927	-
PAYE and social security	1,435	-
VAT	7,115	4,815
Other creditors	1,450	5,304
Directors current accounts	21,229	35,313
Other creditors	<u>5,000</u>	<u>-</u>
	<u>39,156</u>	<u>45,432</u>

7. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

WATERSIDE PROPERTIES UK LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30TH APRIL 1999

8. SHARE CAPITAL

Authorised share capital:

	1999	1998
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	1999	1998
	£	£
Ordinary share capital brought forward	2	-
Issue of ordinary shares	<u>-</u>	<u>2</u>
	<u>2</u>	<u>2</u>

9. PROFIT AND LOSS ACCOUNT

	Year to 30 Apr 99	Period from 25 Apr 97 to 30 Apr 98
	£	£
Balance brought forward	(22,670)	-
Retained profit/(loss) for the financial year	<u>3,527</u>	<u>(22,670)</u>
Balance carried forward	<u>(19,143)</u>	<u>(22,670)</u>