

**WEIGHTON ENTERPRISES LIMITED**

**FINANCIAL STATEMENTS**

**for the year ended**

**31st August 2001**

**Company No. 3828275**



**WEIGHTON ENTERPRISES LIMITED**

Directors

D. Woolf  
T.R. Baines  
J.A. Fawcett

Secretary

D. Woolf

Registered office

501 The Chambers  
Chelsea Harbour  
London  
SW10 0XF

Bankers

Bank of Ireland  
36 Queen Street  
London  
EC4R 1HJ

United Bank of Kuwait  
7 Baker Street  
London  
W1U 8EG

Auditors

Hughes Waddell  
The White House  
2 Meadrow  
Godalming  
Surrey  
GU7 3HN

Company number

3828275

## WEIGHTON ENTERPRISES LIMITED

### DIRECTORS' REPORT

The directors submit their report and financial statements for the year ended 31st August 2001.

#### PRINCIPAL ACTIVITY

The company's principal activity is that of property development. It completed its first project, a leisure club in South Hampstead, in November 2001.

#### DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the share capital of the company were as follows:

	<u>31st August 2001</u>	<u>31st August 2000</u>
	<u>Ordinary Shares</u>	<u>Ordinary Shares</u>
D Woolf ( non-beneficial)	80	2
T.R. Baines	80	0
J.A. Fawcett	40	0

#### 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 and of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

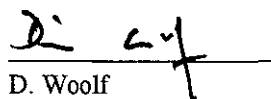
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### AUDITORS

A resolution to reappoint Hughes Waddell as auditors will be proposed at the forthcoming Annual General Meeting.

In preparing the above report, the directors have taken advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD



D. Woolf  
Secretary

## **REPORT OF THE AUDITORS**

### **TO THE SHAREHOLDERS OF WEIGHTON ENTERPRISES LIMITED**

We have audited the financial statements on pages 4 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 6.

#### **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 financial statements and to report our opinion to you.

#### **BASIS OF OPINION**

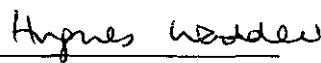
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of the evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 at 31st August 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

The White House  
2 Meadrow  
Godalming  
Surrey  
GU7 3HN

  
\_\_\_\_\_  
Hughes Waddell  
Chartered Accountants  
& Registered Auditor

Date: 14 June 2002

**WEIGHTON ENTERPRISES LIMITED****PROFIT & LOSS ACCOUNT for the year ended 31st August 2001**

	<u>Notes</u>	<u>2001</u> £	<u>2000</u> £
TURNOVER	2.	0	0
Cost of sales		<u>0</u>	<u>0</u>
GROSS PROFIT		0	0
Administrative costs		<u>(1,534)</u>	<u>0</u>
OPERATING LOSS	2.	(1,534)	0
Interest receivable		<u>104</u>	<u>0</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3.	(1,430)	0
Taxation	4.	<u>0</u>	<u>0</u>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(1,430)	0
RETAINED LOSS brought forward		<u>0</u>	<u>0</u>
RETAINED LOSS carried forward		<u><u>(1,430)</u></u>	<u><u>0</u></u>

The notes on pages 6 to 8 form part of these financial statements.

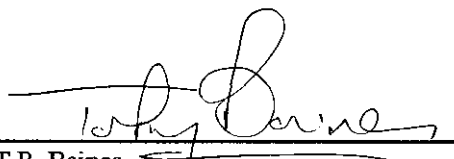
**WEIGHTON ENTERPRISES LIMITED****BALANCE SHEET at 31st August 2001**

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
		<u>£</u>	<u>£</u>
FIXED ASSETS			
Tangible assets - investment properties	5.	<u>1,358,409</u>	<u>0</u>
CURRENT ASSETS			
Work in progress	1.	0	24,125
Debtors	6.	46,031	0
Cash at bank & in hand		<u>25,515</u>	<u>2</u>
		<u>71,546</u>	<u>24,127</u>
CREDITORS: Amounts falling due within one year	7.	<u>1,431,185</u>	<u>24,125</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(1,359,639)</u>	<u>2</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,230)</u>	<u>2</u>
NET (LIABILITIES)/ASSETS		<u><u>(1,230)</u></u>	<u><u>2</u></u>
Financed by:			
CAPITAL & RESERVES			
Called up share capital	8.	200	2
Profit & loss account		<u>(1,430)</u>	<u>0</u>
		<u><u>(1,230)</u></u>	<u><u>2</u></u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the Board on

14<sup>th</sup> June 2002.

  
 T.R. Baines  
 DIRECTOR

The notes on pages 6 to 8 form part of these financial statements.

## **WEIGHTON ENTERPRISES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2001**

#### **1. ACCOUNTING POLICIES**

The financial statements have been prepared using the following accounting policies.

##### **Accounting Convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

##### **Turnover**

Turnover represents rents receivable from investment properties.

##### **Depreciation of investment property**

In accordance with SSAP 19, no depreciation is provided in respect of the company's freehold investment property. This treatment may be a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However this property is not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot reasonably be separately identified or quantified.

##### **Deferred Taxation**

Deferred taxation is provided on the liability method on short term timing differences only to the extent that a liability to pay tax is foreseen. No deferred tax is provided on capital allowances attributable to assets which are not subject to depreciation or where a liability is not expected to crystallise. No provision is made for any contingent tax liability which would arise in the event of the sales of the investment property being effected at the valuation at which it is carried in the balance sheet.

##### **Property valuation**

Completed investment properties are valued at the directors' assessment of fair value. The directors have made the normal deductions for hypothetical purchasers' costs in arriving at their valuation. Any surpluses or deficits arising are reflected in unrealised capital reserves. Buildings under construction are valued at cost.

##### **Capitalisation of interest**

Interest costs incurred in funding land for or under development and construction work in progress are capitalised during the period of development. A property is regarded as being in the course of development until substantially let or the expiration of a period varying from 6 months to 2 years from the issue of the Architect's certificate of practical completion, whichever is the earlier.

##### **Going concern**

The financial statements have been prepared on the going concern basis. The directors anticipate that future levels of business will be profitable.

##### **Stock, work in progress and long term contracts**

The company carries forward as stock all direct and related expenditure in respect of properties or options on properties held for future development and resale. Where appropriate, interest on loans specifically relating to particular development is included as related expenditure. The company usually undertakes developments on terms such that the profit cannot be determined until the site is disposed of. Accordingly, no attributable profit is taken on such uncompleted development.

## **WEIGHTON ENTERPRISES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2001**

#### **2. TURNOVER & OPERATING LOSS**

The turnover and pre-tax loss are attributable to the company's principal activity and arose wholly within the United Kingdom.

#### **3. LOSS ON ORDINARY ACTIVITIES**

##### **BEFORE TAXATION**

is stated after charging:-

Directors' emoluments

Auditors' remuneration

2001	2000
£	£
0	0
1,500	0

#### **4. TAXATION**

No provision for U.K. Corporation Tax is required as the company has unutilised tax losses to carry forward against future trading profits amounting to approximately £1,430.

There were no provided and unprovided deferred taxation balances at 31st August 2000 and 31st August 2001.

#### **5. TANGIBLE ASSETS - Investment property**

£
Property held for or under development :
Additions during the year & at 31st August 2001
1,358,409

#### **6. DEBTORS**

2001	2000
£	£
Trade debtors	0
Other debtors	0
Other taxes & social security	0
46,031	0

#### **7. CREDITORS: amounts falling due within one year**

£	£
Trade creditors	0
Amounts due to associated companies (note 10)	24,125
Bank loan	0
Accruals	0
1,431,185	24,125

The bank loan is secured by a fixed charge on the company's leasehold development property. Interest is charged on the loan at a rate of 2.3125% above the United Bank of Kuwait's Base Rate. The loan is initially for a period of 12 months from 18th April 2001.

## **WEIGHTON ENTERPRISES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2001**

#### **8. CALLED UP SHARE CAPITAL**

	<u>Authorised</u>		<u>Allotted, called up &amp; fully paid</u>	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
	<u>£</u>		<u>£</u>	
Ordinary Shares of £1 each	<u>200</u>	<u>200</u>	<u>200</u>	<u>2</u>

#### **9. CONTROLLING PARTY**

The company was under the control of the directors throughout the year.

#### **10. RELATED PARTY TRANSACTIONS**

During the year the following amounts were received in the form of interest free, unsecured loans with no fixed repayment dates :-

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Citygrove Leisure plc	82,298	24,125
Westmoreland Securities Limited	24,825	0

These amounts only require repayment if and when the company has sufficient retained reserves to make such repayment

Mr D. Woolf is a director of Westmoreland Securities Limited and Citygrove Leisure plc. He has an indirect interest in the parent company of those companies.

Mr T.R. Baines is a director of Westmoreland Securities Limited and has an indirect interest in the parent company of that company. He is also a director of Citygrove Leisure plc.

#### **11. CAPITAL COMMITMENTS**

The company had capital commitments at the year end of £636,000 in respect of the development of its investment property.