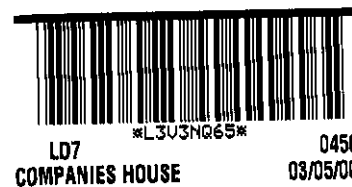


**Atreus Investments Limited**  
**Directors' Report and Accounts for the year ended**  
**30 June 1999**

*Company Number: 00784600*

*McLaren Soares & Co Ltd*  
*3 Old Garden House*  
*The Lanterns*  
*Bridge Lane*  
*London SW11 3AD*



## Atreus Investments Limited Directors' Report

The Directors submit their report and accounts for the year ended 30 June 1999.

### *Activities and Business Review*

The principal activity of the company is that of property owning and developing.

### *Results and Dividends*

The results for the year are set out on page 3. The Directors do not recommend the payment of a dividend.

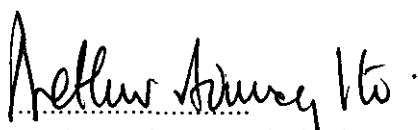
### *Directors and their Shareholdings*

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

	<b>Ordinary Shares of £1 Each</b>	
	<b>1999</b>	<b>1998</b>
W.J. Davies	25	-
R.D.Erskine (appointed 29 February 2000)	-	-

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

On behalf of the Board

  
 Netlaw Advisory Limited  
 Secretary

**Atreus Investments Limited**

**Profit and Loss Account**  
**for the Year ended 30 June 1999**

	<i>Notes</i>	1999 £	1998 £
Turnover	(1)	32,017	33,057
Administration Expenses		17,820	(17,666)
Operating Profit		<u>14,197</u>	<u>15,391</u>
Interest receivable		7,477	-
		<u>21,674</u>	<u>15,391</u>
Loan Interest (Gross)		9,000	9,000
Profit on ordinary activities before Taxation		<u>12,674</u>	<u>6,391</u>
Taxation	(2)	2,649	-
Profit on ordinary activities after Taxation		<u>10,025</u>	<u>6,391</u>
Retained Profit brought forward		28,438	22,047
Retained Profit carried forward		<u>£ 38,463</u> =====	<u>£ 28,438</u> =====

The notes on page 5 to 7 form part of these accounts.

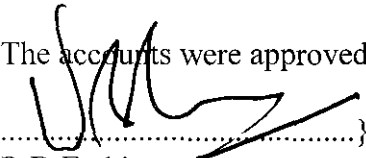
**Atreus Investments Limited**  
**Balance Sheet as at 30 June 1999**

	Notes	1999	1998
		£	£
<b>Fixed Assets</b>	(3)	201,240	201,940
<b>Investments</b>	(4)	100,100	100,100
		<u>301,340</u>	<u>302,040</u>
<b>Current Assets</b>	(5)	23,536	52,450
<b>Creditors: Amounts falling due within one year</b>	(6)	(16,768)	(56,407)
<b>Net Current Assets (Liabilities)</b>		<u>6,768</u>	<u>(3,957)</u>
<b>Total Assets Less Current Liabilities</b>		<u>308,108</u>	<u>298,083</u>
<b>Creditors: Amounts falling due after more than one year</b>	(7)	(90,000)	(90,000)
<b>Net Assets</b>		<u>£ 218,108</u>	<u>£ 208,083</u>
<b>Represented by:</b>			
Share Capital	(8)	100	100
Revaluation Reserve	(1(b))	179,545	179,545
Profit and Loss Account		38,463	28,438
		<u>£ 218,108</u>	<u>£ 208,083</u>

Note: The Directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the nominal value of the company's issued share capital have not issued a notice requiring an audit. The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Company Act 1985 and for preparing accounts which give a true and fair view of the state of affairs of the company as at 30 June 1999 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

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

The accounts were approved by the board on 28 April 2000 and signed on its behalf.

 } **DIRECTOR**  
R D Erskine

# Atreus Investments Limited

## Notes to the Financial Accounts for the Year ended 30 June 1999

### 1. *Principal Accounting Policies*

The financial statements have been prepared in accordance with the historical cost convention.

#### (a) *Turnover*

Turnover represents rents received during the year excluding VAT.

#### (b) *Tangible Fixed Assets*

Freehold property is stated in the accounts at Director's valuation.

Tangible fixed assets are stated at their purchase price together with any incidental acquisition costs.

Provision for depreciation is made, so as to write off the cost of tangible fixed assets over their estimated useful economic life, at the following annual rates:

Furniture, Fixtures and Fittings	10% Straight Line Basis
----------------------------------	-------------------------

#### (c) *Group Accounts*

Group accounts have not been prepared taking advantage of exemptions available to small groups.

### 2. *Taxation*

	1999	1998
	£	£
Corporation Tax on profits for the year	£ 2,649	Nil
	=====	=====

# Atreus Investments Limited

## Notes to the Financial Accounts for the Year ended 30 June 1999

3.	<i>Fixed Assets</i>	Freehold Property	Improve- ments to Premises	Furniture Fixtures & Fittings	Total
		£	£	£	£
	<b>Cost or Revaluation</b>				
	As at 1 July 1998	200,000	1,201	20,828	222,029
	As at 30 June 1999	200,000	1,201	20,828	222,029
	<b>Depreciation</b>				
	As at 1 July 1998			20,089	20,089
	Charge for the Year			700	700
	As at 30 June 1999	-	-	20,789	20,789
	<b>Net Book Value</b>				
	As at 30 June 1999	200,000	1,201	39	201,240
	As at 30 June 1998	200,000	1,201	739	201,940
4.	<i>Investments</i>		1999	1998	
			£	£	
	Shares in subsidiary company at cost:				
	Cumulative redeemable preference shares		100,000	100,000	
	Ordinary shares		100	100	
			£ 100,100	£ 100,100	
5.	<i>Debtors</i>				
	Loans		1,825	40,325	
	Loan to subsidiary company		6,500	6,500	
	Interest Receivable		13,101	5,625	
	Prepayments		2,110	-	
			£ 23,536	£ 52,450	
6.	<i>Creditors:</i> Amounts falling due within one year				
	Sundry Creditors and Accruals		12,458	12,922	
	Bank Overdraft		1,661	43,485	
	Corporation Tax		2,649	-	
			£ 16,768	£ 56,407	

# Atreus Investments Limited

## Notes to the Financial Accounts for the Year ended 30 June 1999

	1999 £	1998 £
7. <b>Creditors:</b> Amounts falling due after more than one year		
Long term creditors:		
Other Loans	75,000	75,000
Mortgage Loan	15,000	15,000
	<u>£ 90,000</u>	<u>£ 90,000</u>
	=====	=====
8. <b>Share Capital</b>		
Authorised Issued and Fully Paid		
100 Ordinary Shares of £1 each	£ 100	£ 100
	=====	=====
9. <b>Parent Company</b>		
Bowprine Ltd, a company registered in England, is a wholly owned subsidiary of this company.		
The results of the subsidiary for the year ended 31 December 1997, so far as they concern Atreus Investments Limited, were as follows:		
(i) taken up in the accounts	Nil	
(ii) not take up in the accounts	Loss	

The aggregate loss of the subsidiary as at 31 December 1998, so far as they  
concern Atreus Investments Limited, not taken into these accounts amount  
to £ 362,500 (1997 £ 363,379).