

## Atreus Investments Limited Directors' Report

The Directors submit their report and accounts for the year ended 30 June 1998.

### *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.

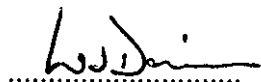
### *Directors and their Shareholdings*

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>1998</b>                       | <b>1997</b> |
| W.J. Davies | -                                 | -           |

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



~~Secretary~~ DIRECTOR.

# Atreus Investments Limited

## Profit and Loss Account for the Year ended 30 June 1998

|  | <i>Notes</i> | <b>1998</b>     | <b>1997</b>     |
|--|--------------|-----------------|-----------------|
|  |              | £               | £               |
| Turnover   | (1)          | 33,057          | 28,664          |
| Administration Expenses                          |              | (17,666)        | 19,551          |
| Operating Profit                                 |              | <u>15,391</u>   | <u>9,113</u>    |
| Loan Interest (Gross)                            |              | 9,000           | (9,000)         |
| Profit on ordinary activities<br>before Taxation |              | <u>6,391</u>    | <u>113</u>      |
| Taxation   | (2)          | -               | -               |
| Profit on ordinary activities<br>after Taxation  |              | <u>6,391</u>    | <u>113</u>      |
| Retained Profit Brought Forward                  |              | 22,047          | 21,934          |
| Retained Profit Carried Forward                  |              | <u>£ 28,438</u> | <u>£ 22,047</u> |

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

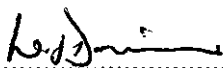
**Atreus Investments Limited**  
**Balance Sheet as at 30 June 1998**

|  | <i>Notes</i> | 1998             | 1997             |
|--|--------------|------------------|------------------|
|  |              | £                | £                |
| <b>Fixed Assets</b>  | (3)          | 201,940          | 204,023          |
| <b>Investments</b>   | (4)          | 100,100          | 100,100          |
|  |              | <u>302,040</u>   | <u>304,123</u>   |
| <b>Current Assets</b>  | (5)          | 52,450           | 50,950           |
| <b>Creditors: Amounts falling due within one year</b>          | (6)          | (56,407)         | (63,381)         |
| Net Current Assets (Liabilities)                               |              | <u>(3,957)</u>   | <u>(12,431)</u>  |
| Total Assets Less Current Liabilities                          |              | <u>298,083</u>   | <u>291,692</u>   |
| <b>Creditors: Amounts falling due after more than one year</b> | (7)          | £ (90,000)       | £ (90,000)       |
| Net Assets   |              | <u>£ 208,083</u> | <u>£ 201,692</u> |
| <b>Represented by:</b>   |              |                  |                  |
| Share Capital  | (8)          | 100              | 100              |
| Revaluation Reserve  | (1(b))       | 179,545          | 179,545          |
| Profit and Loss Account  |              | 28,438           | 22,047           |
|  |              | <u>£ 208,083</u> | <u>£ 201,692</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 1998 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. (effective March 1999)

The accounts were approved by the board on 27<sup>th</sup> April 1999 and signed on its behalf.

 ..... } **DIRECTOR**

# Atreus Investments Limited

## Notes to the Financial Accounts for the Year ended 30 June 1998

### 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*

|   | 1998 | 1997 |
|---|------|------|
|   | £    | £    |
| No provision for Corporation Tax is Required as the company is claiming Losses under group relief | Nil  | Nil  |
|   | ==   | ==   |

# Atreus Investments Limited

## Notes to the Financial Accounts for the Year ended 30 June 1998

| 3. | <i>Fixed Assets</i>                                      | Freehold<br>Property | Improve-<br>ments to<br>Premises | Furniture<br>Fixtures &<br>Fittings | Total     |
|----|--|----------------------|----------------------------------|-------------------------------------|-----------|
|    |  | £                    | £                                | £                                   | £         |
|    | <b>Cost or Revaluation</b>                               |                      |                                  |                                     |           |
|    | As at 1 July 1997  | 200,000              | 1,201                            | 20,828                              | 222,029   |
|    | As at 30 June 1998                                       | 200,000              | 1,201                            | 20,828                              | 222,029   |
|    | <b>Depreciation</b>                                      |                      |                                  |                                     |           |
|    | As at 1 July 1997  | -                    | -                                | 18,006                              | 18,006    |
|    | Charge for the Year                                      | -                    | -                                | 2,083                               | 2,083     |
|    | As at 30 June 1998                                       | -                    | -                                | 20,089                              | 20,089    |
|    | <b>Net Book Value</b>                                    |                      |                                  |                                     |           |
|    | As at 30 June 1998                                       | 200,000              | 1,201                            | 739                                 | 201,940   |
|    | As at 30 June 1997                                       | £ 200,000            | £ 1,201                          | £ 2,822                             | £ 204,023 |
| 4. | <i>Investments</i>                                       |                      | 1998                             | 1997                                |           |
|    |  |                      | £                                | £                                   |           |
|    | 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  |                      | 40,325                           | 40,325                              |           |
|    | Loan to subsidiary company                               |                      | 6,500                            | 5,000                               |           |
|    | Interest Receivable (Net)                                |                      | 5,625                            | 5,625                               |           |
|    |  |                      | £ 52,450                         | £ 50,950                            |           |
| 6. | <i>Creditors:</i> Amounts falling due<br>within one year |                      |                                  |                                     |           |
|    | Sundry Creditors and Accruals                            |                      | 12,922                           | 12,655                              |           |
|    | Bank Overdraft   |                      | 43,485                           | 50,726                              |           |
|    |  |                      | £ 56,407                         | £ 63,381                            |           |

# Atreus Investments Limited

## Notes to the Financial Accounts for the Year ended 30 June 1998

|  | 1998<br>£       | 1997<br>£       |
|--|-----------------|-----------------|
| 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> |
|  | =====           | =====           |
| 5. <b>Share Capital</b>  |                 |                 |
| Authorised Issued and Fully Paid   |                 |                 |
| 100 Ordinary Shares of £1 each   | £ 100           | £ 100           |
|  | =====           | =====           |
| 6. <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 taken up in the accounts  | Loss £ 100,944  |                 |

The aggregate loss of the subsidiary as at 31 December 1997, so far as they concern Atreus Investments Limited, not taken into these accounts amount to £ 363,379 (1996 £ 314,617).