

HADLEY AND OTTAWAY LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 1999



AUDITORS' REPORT TO HADLEY AND OTTAWAY LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 2 to 5 together with the financial statements of Hadley and Ottaway Limited for the year ended 30th April 1999 prepared under section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

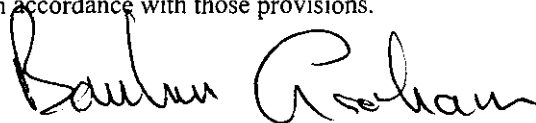
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

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

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 5 are properly prepared in accordance with those provisions.



Banham Graham
Chartered Accountants and Registered Auditors
Windsor Terrace
76-80 Thorpe Road
Norwich
NR1 1BA
24th February 2000

HADLEY AND OTTAWAY LIMITED

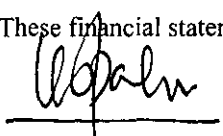
ABBREVIATED BALANCE SHEET

AS AT 30TH APRIL 1999

	Notes	1999	1998
		£	£
Fixed Assets	2		
Tangible fixed assets		226,012	222,595
Current Assets			
Stock and work in progress		8,202	8,214
Debtors		206,952	403,340
Cash at bank and in hand		63,845	1,272
		278,999	412,826
Creditors: Amounts Falling Due Within One Year		176,962	261,021
Net Current Assets		102,037	151,805
Total Assets Less Current Liabilities		328,049	374,400
Creditors: Amounts Falling Due After More Than One Year		21,110	61,858
Provisions for Liabilities and Charges			
Deferred taxation		6,765	8,321
		300,174	304,221
Capital and Reserves			
Share capital	3	100	100
Profit and loss account		300,074	304,121
Shareholders' Funds		300,174	304,221

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the board on 24th February 2000 and signed on its behalf.


Mr L D Palmer
Director

HADLEY AND OTTAWAY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 1999

1 Accounting Policies

Basis of Accounting

The Financial Statements have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates and periods generally applicable are:

Leasehold land and buildings	By equal installments over the term of lease
Computer equipment	25% per annum
Plant and office equipment	15% per annum
Motor vehicles	20% per annum
Fixtures and fittings	15% per annum

Stocks

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

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

HADLEY AND OTTAWAY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 1999

2 Fixed Assets

	Tangible Fixed Assets	Total
	£	£
Cost		
At 1st May 1998	430,593	430,593
Additions	90,933	90,933
Disposals	(8,230)	(8,230)
At 30th April 1999	513,296	513,296
Depreciation and Amortisation		
At 1st May 1998	207,998	207,998
Charge for the year	87,515	87,515
On disposals	(8,229)	(8,229)
At 30th April 1999	287,284	287,284
Net Book Value		
At 30th April 1999	226,012	226,012
<i>At 30th April 1998</i>	<i>222,595</i>	<i>222,595</i>

3 Share Capital

	1999	1998
	£	£
Authorised		
200 Ordinary shares of £1.00 each	200	200
	200	200
Allotted		
100 Allotted, called up and fully paid ordinary shares of £1.00 each	100	100

HADLEY AND OTTAWAY LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL 1999

4 Related Party Transactions

The Company's ultimate parent company is Angelmime Limited. A company in which both directors own all the shares.

Gradeice Limited is an associated company.

The Company's transactions and arrangements with related parties are as follows:-

	Angel mime Limited		Gradeice Limited	
	1999	1998	1999	1998
	£	£	£	£
Services provided to the company -				
Management Fees	100,000	100,000		
Rents for premises			31,860	31,860
Balance due to/(from) Hadley and Ottaway Limited at the year end	119,044	99,926	(56,961)	(31,852)

5 Secured Creditors

The bank loans and overdrafts are secured by a fixed and floating charge over all of the company's assets 1999 £- (1998 - £16,447).