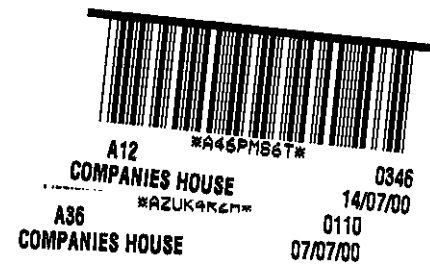


COMPANY REGISTRATION NUMBER 2039328

THE ROLLS OF MONMOUTH LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2000



KINGSCOTT DIX
CHARTERED ACCOUNTANTS
60 KINGS WALK
GLOUCESTER
GL1 1LA

THE ROLLS OF MONMOUTH LIMITED

GENERAL INFORMATION

DIRECTORS

Yoshisuke Kasai
Bryan Dowler

SECRETARY

Walgate Services Limited

REGISTERED OFFICE

The Hendre
Monmouth
Monmouthshire
NP25 5HG

BANKERS

Barclays Bank PLC
17/18 Agincourt Square
Monmouth
Gwent

AUDITORS

Kingscott Dix
Chartered Accountants
60 Kings Walk
Gloucester
GL1 1LA

REGISTERED IN ENGLAND AND WALES
NUMBER 2039328

THE ROLLS OF MONMOUTH LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2000

CONTENTS

Page

1 & 2	Directors' Report
3	Auditors' Report
4	Profit and Loss Account
5	Balance Sheet
6 - 9	Notes to the Accounts

The following pages do not form part of the statutory accounts

10	Detailed Trading and Profit and Loss Account
11	Schedule to the Detailed Trading and Profit and Loss Account

THE ROLLS OF MONMOUTH LIMITED

DIRECTORS' REPORT

The Directors present the report and the financial statements for the year ended 31 March 2000.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company during the year is a Golf Club providing golfing and catering services. There has been no significant change in these activities during the year.

DIRECTORS

The Directors of the Company who served during the year and their beneficial interests in the shares of the Company were as follows:-

	Ordinary Shares of £1 each	
	2000	1999
Yoshisuke Kasai	-	-
Bryan Dowler	-	-

The Company is a wholly owned subsidiary of Sanrex Limited, a Company incorporated in Japan in which Mr. Kasai has a controlling interest.

DIRECTORS RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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 and loss of the Company for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and 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 to operate.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to 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.

THE ROLLS OF MONMOUTH LIMITED

DIRECTORS' REPORT [cont'd]

AUDITORS

The Auditors, Messrs. Kingscott Dix have expressed their willingness to continue in office and a resolution to re-appoint them will be submitted to the Annual General Meeting.

SMALL COMPANY EXEMPTIONS

The Directors' Report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.


For and on behalf of the Board 13 June 2000

Y. KASAI

KINGSCOTT DIX

CHARTERED ACCOUNTANTS
60 KINGS WALK

AUDITORS' REPORT

TO THE SHAREHOLDERS OF THE ROLLS OF MONMOUTH LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the Company's Directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with the Auditing Standards issued by the Auditing Practice Board. An audit includes examination, on a test basis, of 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 misstatement, 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.


GOING CONCERN

In forming our opinion, we have considered the adequacy of disclosures made in note 1 of the financial statements concerning the reliance on financial support from its Holding Company.

The Company is in receipt of loans and current account balances from its Holding Company, Sanrex Limited, totalling £2,380,676, on which it is reliant for its continued trading activity. Without this support, the Company could not continue as a going concern. In view of the significance of this matter, we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

OPINION

In our opinion the financial statements give a true and fair view of the state of the affairs of the Company as at 31 March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KINGSCOTT DIX
CHARTERED ACCOUNTANTS
AND REGISTERED AUDITORS
14 JUNE 2000

THE ROLLS OF MONMOUTH LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2000

		2000	1999
	Note	£	£
TURNOVER	1	632,775	616,789
Cost of Sales		(90,408)	(86,643)
		<hr/>	<hr/>
GROSS PROFIT		542,367	530,146
Administrative Expenses		(508,527)	(634,778)
Other Operating Income		11,437	14,192
		<hr/>	<hr/>
OPERATING PROFIT/(LOSS)		45,277	(90,440)
Interest Payable and Similar Charges		(1,215)	-
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2	44,062	(90,440)
Taxation on Profit/(Loss) on Ordinary Activities	3	(3,479)	(2,479)
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION TRANSFERRED FROM RESERVES	10	40,583	(92,919)
		<hr/>	<hr/>

The notes on pages 6 to 9 form part of these accounts.

THE ROLLS OF MONMOUTH LIMITED

BALANCE SHEET

AS AT 31 MARCH 2000

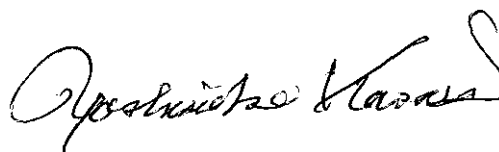
		2000	1999
	Note	£	£
TANGIBLE FIXED ASSETS	4	2,570,521	2,508,877
CURRENT ASSETS			
Stocks	5	19,729	16,101
Debtors	6	8,409	6,519
Cash at Bank and in Hand		17,444	10,541
		<u>45,582</u>	<u>33,161</u>
CREDITORS: Amounts falling due within one year	7	(293,536)	(261,244)
NET CURRENT LIABILITIES		<u>(247,954)</u>	<u>(228,083)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,322,567	2,280,794
CREDITORS: Amounts falling due after more than one year	8	(2,151,789)	(2,151,789)
PROVISION FOR LIABILITIES AND CHARGES			
Deferred Tax		(1,190)	-
		<u>169,588</u>	<u>129,005</u>
CAPITAL AND RESERVES			
Called Up Share Capital	9	450,000	450,000
Profit and Loss Account	10	(280,412)	(320,995)
SHAREHOLDERS' FUNDS		<u>169,588</u>	<u>129,005</u>

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

Signed on behalf of the Board of Directors

Y. KASAI

DIRECTOR



13 JUNE 2000

DATE

The notes on pages 6 to 9 form part of these accounts.

THE ROLLS OF MONMOUTH LIMITED

NOTES TO THE ACCOUNTS

31 MARCH 2000

[1] ACCOUNTING POLICIES

[a] 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.

[b] GOING CONCERN

The accounts have been prepared on a going concern basis which assumes that the Company will continue to benefit from the financial support received from its Holding Company, Sanrex Limited. The Directors are confident that this support will be forthcoming for the foreseeable future and the accounts have been prepared on this basis.

[c] TURNOVER

Turnover represents the amounts received or receivable for goods and services provided to customers during the year excluding value added tax.

[d] TANGIBLE FIXED ASSETS

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives, as follows:-

Freehold Land	Nil
Freehold Building	2% of Cost
Course Construction	10% of Cost
Plant and Machinery	25% of Cost
Motor Vehicles	25% of Written Down Value
Fixtures and Fittings	20% of Cost

[e] STOCKS

Stocks and work in progress are valued at the lower of cost, and net realisable value. Cost is calculated on a first in first out basis. Net realisable value is based on the estimated selling price less estimated cost of disposal.

[f] DEFERRED TAX

Deferred tax is provided on the liability method to take account of timing differences between the profits as computed for tax purposes and the profits as stated in the financial statements to the extent that it is probable that an asset or liability will crystallise in the foreseeable future.

[g] HIRE PURCHASE AND OTHER LEASES

Assets acquired under hire purchase and finance leases have been recorded in the balance sheet as tangible fixed assets at their equivalent capital value. The corresponding liability has been included under creditors. The interest element is charged to profit and loss account at the rate inherent in the contract. Operating lease rentals are charged to the profit and loss account as they fall due.

THE ROLLS OF MONMOUTH LIMITED

NOTES TO THE ACCOUNTS

31 MARCH 2000

[2]	PROFIT ON ORDINARY ACTIVITIES	2000	1999
	The profit on ordinary activities is stated after charging:	£	£
	Depreciation of Tangible Fixed Assets	79,792	78,727
	Auditors' Remuneration	1,500	1,450
		<u> </u>	<u> </u>

[3]	TAXATION	2000	1999
		£	£
	Corporation Tax Charge for the Year at 21%	2,289	218
	Under/(Over) provision in respect of prior years	-	2,261
	Deferred Taxation	1,190	-
		<u> </u>	<u> </u>
		3,479	2,479
		<u> </u>	<u> </u>

[4]	TANGIBLE FIXED ASSETS	Motor Vehicles	Plant and Machinery	Fixtures and Fittings	Freehold Land and Buildings	Course Constr- uction	Total
	COST	£	£	£	£	£	£
	As at 1 April 1999	18,747	301,751	241,960	2,483,420	114,344	3,160,222
	Additions	-	37,922	57,477	46,037	-	141,436
	Disposals	-	(2,500)	-	-	-	(2,500)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	As at 31 March 2000	18,747	337,173	299,437	2,529,457	114,344	3,299,158
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	DEPRECIATION						
	As at 1 April 1999	17,561	245,727	195,104	114,220	78,733	651,345
	Charge for Year	296	34,863	18,652	16,317	9,664	79,792
	Charged on Disposal	-	(2,500)	-	-	-	(2,500)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	As at 31 March 2000	17,857	278,090	213,756	130,537	88,397	728,637
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	NET BOOK VALUE						
	As at 31 March 2000	890	59,083	85,681	2,398,920	25,947	2,570,521
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	As at 31 March 1999	1,186	56,024	46,856	2,369,200	35,611	2,508,877
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

THE ROLLS OF MONMOUTH LIMITED

NOTES TO THE ACCOUNTS

31 MARCH 2000

[5]	STOCKS	2000	1999
		£	£
	Stocks for Resale	19,729	16,101
		<hr/>	<hr/>
[6]	DEBTORS	2000	1999
		£	£
	Trade Debtors	980	875
	Other Debtors	2,472	721
	Prepayments and Accrued Income	4,957	4,923
		<hr/>	<hr/>
		8,409	6,519
		<hr/>	<hr/>
[7]	CREDITORS: Amounts falling due within one year	2000	1999
		£	£
	Bank Overdraft	-	8,583
	Trade Creditors	37,716	11,529
	Amounts Owed to Holding Company	228,887	228,887
	Corporation Tax	2,118	1,933
	Other Taxation and Social Security	7,124	5,587
	Accruals and Deferred Income	8,572	4,725
	Hire Purchase	9,119	-
		<hr/>	<hr/>
		293,536	261,244
		<hr/>	<hr/>
[8]	CREDITORS: Amounts falling due after more than one year	2000	1999
		£	£
	Amounts Owed to Holding Company	2,151,789	2,151,789
		<hr/>	<hr/>

THE ROLLS OF MONMOUTH LIMITED

NOTES TO THE ACCOUNTS

31 MARCH 2000

[9]	SHARE CAPITAL	2000	1999
		£	£
	Authorised:		
	450,000 Ordinary Shares of £1 each	450,000	450,000
		<hr/>	<hr/>
	Called Up and Fully Paid:		
	450,000 Ordinary Shares of £1 each	450,000	450,000
		<hr/>	<hr/>
[10]	PROFIT AND LOSS ACCOUNT	2000	1999
		£	£
	Deficit at beginning of the Year	(320,995)	(228,076)
	Profit/(Loss) for the Year	40,583	(92,919)
		<hr/>	<hr/>
	Deficit at the end of the Year	(280,412)	(320,995)
		<hr/>	<hr/>

[11] RELATED PARTY TRANSACTIONS

CONTROLLING PARTY

By virtue of his majority shareholdings, in the Holding Company, Mr. Y. Kasai, is considered to be the controlling party of the Company.

INTERCOMPANY BALANCES

Amounts owing to the Holding Company are shown in notes 7 and 8.

[12] ULTIMATE HOLDING COMPANY

The Ultimate Holding Company is Sanrex Limited, a Company registered in Japan.