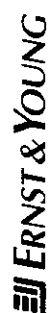


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Armana Limited

Abbreviated Accounts

31 March 1999

 ERNST & YOUNG



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15/01/00

Armana Limited

Registered No. 2114924

DIRECTORS

C R Marr
N D Atkins

SECRETARY

A Baxter

AUDITORS

Ernst & Young
Lowgate House
Lowgate
Hull HU1 1JJ

REGISTERED OFFICE

St Andrew's Dock
Hull HU3 4PN

SPECIAL REPORT OF THE AUDITORS
to Armana Limited under section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages 3 to 6 together with the annual accounts of Armana Limited for the year ended 31 March 1999 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts 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 the procedures we considered necessary to confirm, by reference to the audited accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered have been 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 full accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and 246(6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 6 are properly prepared in accordance with those provisions.

Ernst & Young
Registered Auditor
Hull



4 October 1999

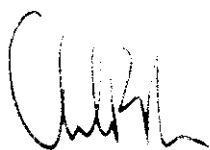
Armana Limited

ABBREVIATED BALANCE SHEET at 31 March 1999

	Notes	1999 £	1998 (Restated) £
FIXED ASSETS			
Tangible assets	3	7,359,016	7,703,476
CURRENT ASSETS			
Debtors		2,479,815	2,393,860
CREDITORS: - amounts falling due within one year	4	(5,108,089)	(4,848,592)
NET CURRENT LIABILITIES		<u>(2,628,274)</u>	<u>(2,454,732)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,730,742</u>	<u>5,248,744</u>
CREDITORS: - amounts falling due after one year	4	(4,826,057)	(4,936,490)
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation	5	(1,424,670)	(1,346,470)
		<u>(1,519,985)</u>	<u>(1,034,216)</u>
CAPITAL AND RESERVES			
Called up equity share capital	6	1,000	1,000
Profit and loss account	7	(1,520,985)	(1,035,216)
EQUITY SHAREHOLDERS' DEFICIENCY		<u>(1,519,985)</u>	<u>(1,034,216)</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 4 October 1999



C R Marr - Director

NOTES TO THE ABBREVIATED ACCOUNTS

at 31 March 1999

1. ACCOUNTING POLICIES

Accounting convention

The accounts have been prepared under the going concern concept because the ultimate parent company has agreed to provide support to enable the company to meet its liabilities as they fall due.

Basis of preparation

The accounts have been prepared under the historical cost accounting rules and in accordance with applicable accounting standards.

Depreciation

Depreciation is provided at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life.

The expected useful life of the vessel is 14 years from 31 March 1999.

Deferred taxation

Deferred taxation is provided in respect of the tax effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future. The liability is calculated at the rate applicable for the next tax year.

Sea Fish Industry Authority grant

The Sea Fish Industry Authority grant is credited to profit and loss account over the expected useful life of the relevant asset.

2. CHANGE OF ACCOUNTING POLICY

In adopting FRS 12 "Provisions and Contingencies", the company has changed its accounting policy for provisions. The provision for accruing surveys no longer meets the criteria for recognition and accordingly the accounts have been restated.

At 1 April 1998, the amount of costs previously accrued which did not meet the criteria were £18,000. The deferred taxation liability on these costs was £5,580. The reserves at 1 April 1998 have therefore been restated by the post taxation amount of £12,420.

The impact upon the results for the year ended 31 March 1998 are that costs previously charged of £18,000 and the taxation thereon (£5,580) have been removed as they no longer meet the recognition criteria of FRS 12.

At 31 March 1998, creditors (amounts due to fellow subsidiaries) have therefore been restated for the costs accrued at that date (£36,000) with an associated deferred tax liability of £11,160. The reserves at 31 March 1998 have therefore been restated by the post taxation amount of £24,840.

Armana Limited

NOTES TO THE ABBREVIATED ACCOUNTS

at 31 March 1999

3. TANGIBLE FIXED ASSETS

	<i>Vessel</i> £
Cost:	
At 1 April 1998	8,534,202
Additions	73,576
At 31 March 1999	8,607,778
Depreciation:	
At 1 April 1998	830,726
Provided during the year	418,036
At 31 March 1999	1,248,762
Net book value :	
At 31 March 1999	7,359,016
At 1 April 1998	7,703,476

4. CREDITORS

Creditors at 31 March 1998 have been restated as a result of a prior year adjustment of £36,000 (see note 2).

Creditors includes a bank loan of £3,780,000 (1998 - £4,340,000) which is secured on the company's vessel. The loan is repayable in quarterly instalments and £980,000 (1998 - £1,540,000) falls due for payment after five years.

Creditors also includes a loan from the ultimate parent undertaking of £1,600,000 (1998 - £1,150,000) which has no fixed repayment terms and is interest free. The ultimate parent company has given an undertaking not to demand payment of its loan until all other creditors have been paid in full.

5. DEFERRED TAXATION

Deferred taxation has been restated to reflect the impact of the costs previously accrued for surveys which no longer meet the criteria of FRS12 (see note 2)

6. SHARE CAPITAL

	<i>1999</i> £	<i>Authorised</i> <i>1998</i> £
Ordinary shares of £1 each	1,000	1,000
		<i>Allotted, called</i> <i>and fully paid</i>
	<i>1999</i> £	<i>1998</i> £
Ordinary shares of £1 each	1,000	1,000

NOTES TO THE ABBREVIATED ACCOUNTS

at 31 March 1999

7. **PROFIT AND LOSS ACCOUNT**

The profit and loss account at 31 March 1998 has been restated as a result of a prior year adjustment of £24,840 (see note 2).

8. **ULTIMATE HOLDING COMPANY**

The company's immediate parent undertaking is J Marr (Fishing) Limited which includes the company in its group accounts. The immediate parent undertaking is registered in England and Wales and copies of its accounts are available from St Andrew's Dock, Hull, HU3 4PN.

The company's ultimate parent undertaking and controlling party is J Marr Limited, a company registered in England and Wales. J Marr Limited is the largest company which prepares group accounts which include the company. Copies of those accounts are available from St Andrew's Dock, Hull, HU3 4PN.