

HARAN LIMITED

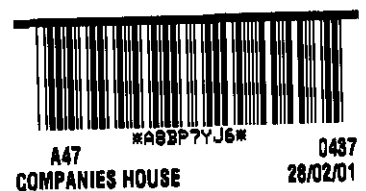
COMPANY NUMBER 2675793

DIRECTORS' REPORT AND ACCOUNTS

for the year ended

30 APRIL 2000

STEPHEN J BRIGHT
CHARTERED ACCOUNTANT
10 HIGHCROFT
EXETER EX4 4JQ



HARAN LIMITED
COMPANY NUMBER 2675793

REPORT OF THE DIRECTORS

The directors of Haran Limited presents their annual report together with the financial statements for the company for the year ended 30 April 2000.

1 PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company during the year have continued to be those of property development, the letting of property and the provision of architectural services.

2 PROFIT FOR THE YEAR AND DIVIDEND

The loss on ordinary activities after taxation for the year amounted to £22,347 (1999 £9,285)

The directors are recommending a final dividend of £500 per share payable on 3 March 2001.

After providing for this dividend the retained profit for the period amounts to £3,043 (1999 £26,390)

3 DIRECTORS

The directors of the company throughout the period and their interest in the shares of the company as at 30 April 2000 were:

Director

£1 ordinary shares
as at 30 April
2000 1999

R Huntley	1	1
Mrs A Roberts-Huntley	1	1

4 TANGIBLE FIXED ASSETS

The changes in tangible fixed assets during the year are summarised in note 8 to the financial statements.

...../cont.

HARAN LIMITED
COMPANY NUMBER 2675793

REPORT OF THE DIRECTORS (CONT.)

5 STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 or loss of the company for that period. In preparing those financial statements, the directors are required to

- * select suitable accounting policies and then 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 in business.

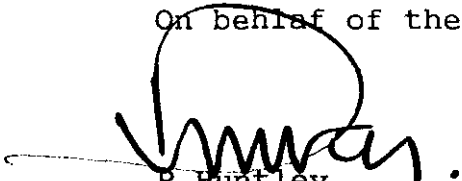
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

6 AUDITORS

The company is exempt from audit under the provisions of Section 249A of the Companies Act 1985. No auditors have therefore been appointed by the company.

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

On behalf of the Board



R Huntley
Director

26 February 2001

HARAN LTD
 COMPANY NUMBER 2675793
 PROFIT AND LOSS ACCOUNT FOR THE
 YEAR ENDED 30 APRIL 2000

	Note	2000 £	1999 £
TURNOVER	1(b)	159,470	166,459
Cost of Sales		110,054	120,000
		-----	-----
GROSS PROFIT		49,416	46,459
Administration expenses		42,069	40,284
		-----	-----
OPERATING PROFIT	3	7,347	6,175
Exceptional item	4	0	14,042
Interest payable	5	(29,694)	(34,355)
		-----	-----
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(22,347)	(14,138)
Taxation	6	0	(4,853)
		-----	-----
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		(22,347)	(9,285)
Dividends	7	1,000	0
		-----	-----
RETAINED PROFIT/(LOSS) FOR THE YEAR		(23,347)	(9,285)
Retained profit as at 1 May 1999		26,390	35,675
		-----	-----
RETAINED PROFIT AS AT 30 APRIL 2000		3,043	26,390
		=====	=====

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2000 £	1999 £
(Loss) for the financial year	(23347)	(9285)
Surplus on revaluation	0	160637
	-----	-----
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	(23347)	151352
	-----	-----

The notes on pages 5 to 9 form part of these accounts

HARAN LTD
COMPANY NUMBER 2675793
BALANCE SHEET AS AT
30 APRIL 2000

Page 4

	Note	2000 £	1999 £
FIXED ASSETS			
Tangible assets	8	795,320	517,637
CURRENT ASSETS			
Debtors	9	13,634	73,723
Cash at bank and in hand		0	1,915
		13,634	75,638
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	72,934	118,855
NET CURRENT ASSETS		(59,300)	(43,217)
TOTAL ASSETS LESS CURRENT LIABILITIES		736,020	474,420
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	11	572,338	287,391
		163,682	187,029
CAPITAL AND RESERVES			
Called up share capital	13	2	2
Revaluation reserve	14	160,637	160,637
Profit and loss account		3,043	26,390
SHAREHOLDERS' FUNDS (Equity interests)		163,682	187,029

For the financial year ended 30 April 2000, the company was entitled to exemption from audit under section 249A(1) Companies Act 1985 and no notice has been deposited under section 249B(2). The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the period and of its profit or loss for the financial period in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company.

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

Approved by the Board on 26 February 2001

..... R Huntley, Director

The notes on pages 5 to 9 form part of these accounts

HARAN LTD
 NOTES TO THE FINANCIAL STATEMENTS FOR THE
 YEAR ENDED 30 APRIL 2000

1 ACCOUNTING POLICIES

a) Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities.

The financial statements have been prepared on a going concern basis. This is dependant on the continued support of the company's bankers, who have expressed their willingness to continue to provide their support to the company.

b) Turnover

Turnover comprises the invoiced value of sales excluding value added tax. Turnover from property sales is included where the asset concerned is not held for long-term investment purposes.

e) Depreciation

Depreciation is calculated to write off the cost of all tangible assets over their estimated useful lives on the reducing balance basis. The rates applicable are:

Furniture	15% per annum.
Plant and machinery	25% per annum.
Computer equipment	30% per annum.

e) Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. TURNOVER

The entire turnover arises from sales made to customers in the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2000 £	1999 £
Depreciation of tangible fixed assets	1,029	1,768
Directors' remuneration	6,704	9,529
	-----	-----

HARAN LTD
 NOTES TO THE FINANCIAL STATEMENTS FOR THE
 YEAR ENDED 30 APRIL 2000 (CONT.)

4. EXCEPTIONAL ITEM

	2000 £	1999 £
Profit on disposal of freehold property	0	14,042
	-----	-----

5. INTEREST PAYABLE

	2000 £	1999 £
Bank overdraft interest	404	0
Interest on loans repayable in more than five years by instalments	27,796	32,123
Interest payable on other loans	2,250	2,250
	-----	-----
	30,450	34,373
less: interest receivable	756	18
	-----	-----
	29,694	34,355
	-----	-----

6. TAXATION

	£	£
UK corporation tax (credit)	0	(4,853)
	-----	-----

UK corporation tax has been charged/(credited) at the rate of
 21% (1999 20%)

7. DIVIDENDS

	2000 £	1999 £
Net dividend per ordinary share:		
Proposed final £500 per share	1,000	0
	-----	-----

HARAN LTD
 NOTES TO THE FINANCIAL STATEMENTS FOR THE
 YEAR ENDED 30 APRIL 2000 (CONT.)

8. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	TOTAL £
COST OR VALUATION			
As at 1 May 1999	507,615	21,068	528,683
Additions	274,169	4,543	278,712
Disposals	0	0	0
As at 30 April 2000	781,784	25,611	807,395
DEPRECIATION			
As at 1 May 1999	0	11,046	11,046
Provided	0	1,029	1,029
Eliminated	0	0	0
As at 30 April 2000	0	12,075	12,075
NET BOOK VALUE			
As at 30 April 2000	781,784	13,536	795,320
As at 30 April 1999	507,615	10,022	517,637

Cost or valuation as at 30 April 2000 is represented by:

	Freehold Property £	Plant & Machinery £	TOTAL £
Cost	621,147	25,611	646,758
Revaluation surplus (1998)	160,637	0	160,637
	781,784	25,611	807,395

9. DEBTORS

	2000 £	1999 £
Trade debtors	10,744	12,434
Directors' loan	0	59,589
Prepayments	2,890	1,700
	13,634	73,723

HARAN LTD
 NOTES TO THE FINANCIAL STATEMENTS FOR THE
 YEAR ENDED 30 APRIL 2000 (CONT.)

10. CREDITORS: AMOUNTS FALLING DUE
 WITHIN ONE YEAR

	2000 £	1999 £
Trade creditors	10,774	77,773
Bank overdraft (secured)	9,723	0
Bank loan (secured)	22,465	11,678
Accruals	7,980	9,139
Corporation tax	0	2,325
Other taxation and social security	723	63
Director's loan	20,269	15,000
Proposed dividends	1,000	0
Other creditors	0	2,877
	<hr/> 72,934 <hr/>	<hr/> 118,855 <hr/>

The bank loans and overdrafts are secured on the freehold properties.

11. CREDITORS: AMOUNTS FALLING DUE
 AFTER MORE THAN ONE YEAR

	2000 £	1999 £
Bank loans and overdrafts (secured):		
Amounts falling due repayable		
by instalments:		
Between one and five years	108,480	55,813
In more than five years	463,858	231,578
	<hr/> 572,338 <hr/>	<hr/> 287,391 <hr/>

The bank loans and overdrafts are secured on the freehold properties.

12. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation:

	2000 £	1999 £
Accelerated capital allowances	0	845
Revalued properties	32,127	25,285
	<hr/> 32,127 <hr/>	<hr/> 26,130 <hr/>
less: amounts not provided	32,127	26,130
	<hr/> 0 <hr/>	<hr/> 0 <hr/>
	=====	=====

HARAN LTD
 NOTES TO THE FINANCIAL STATEMENTS FOR THE
 YEAR ENDED 30 APRIL 2000 (CONT.)

13. CALLED UP SHARE CAPITAL

	2000 £	1999 £
AUTHORISED		
1,000 ordinary shares of £1 each	1,000	1,000
	-----	-----
ALLOTTED, CALLED UP AND FULLY PAID		
2 ordinary shares of £1 each	2	2
	-----	-----

14. REVALUATION RESERVE

	£
As at 1 May 1999 and at 30 April 2000	160,637 =====

15. TRANSACTIONS WITH DIRECTORS

At 1 May 1999 the company had lent Mrs A Roberts-Huntley and Mr R Huntley, both directors of the company, a loan amounting to £59,589. This loan had been repaid in full by 5 July 1999.

The overdrawn loan account carried interest at the Official Rate set for income tax purposes. The loan is interest free whilst in credit.

During the year the company's letting properties were managed by Hometrust Property Services Limited, a company under the control of the directors. During the year the company received rents amounting to £50,539 (1999 £nil) under this arrangement and paid £5,040 (1999 £nil) by way of commission for it.

The company also purchased £105,000 (1999 £120,000) of architectural services from Glen Robinson Associates in which Mr R Huntley, a director of the company, is a partner. At the balance sheet date £10,000 remained unpaid and is included in the balance sheet as a creditor (1999 £75,000).