

HARAN LIMITED

COMPANY NUMBER 2675793

DIRECTORS' REPORT AND ACCOUNTS

for the year ended

30 APRIL 2001



STEPHEN J BRIGHT  
CHARTERED ACCOUNTANT  
10 HIGHCROFT  
EXETER EX4 4JQ

HARAN LIMITED  
COMPANY NUMBER 2675793

REPORT OF THE DIRECTORS

The directors of Haran Limited present their annual report together with the financial statements for the company for the year ended 30 April 2001.

1 PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company during the year have continued to be those of property development together with the letting of property.

2 PROFIT FOR THE YEAR AND DIVIDEND

The loss on ordinary activities after taxation for the year amounted to £18,155 (2000 £22,347).

The directors are recommending a final dividend of £4,000 (2000 £500) per share payable on 3 March 2002.

After providing for this dividend the retained profit for the year amounted to £25,727 (2000 £3,043). The detailed movements on the profit and loss account are given in note 14 to the financial statements.

3 DIRECTORS

The directors of the company throughout the year and their interest in the shares of the company as at 30 April 2001 were:

Director

	£1 ordinary shares as at 30 April	
	2001	2000
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.

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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.

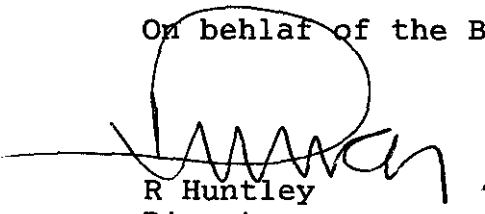
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

27 February 2002

HARAN LTD  
 COMPANY NUMBER 2675793  
 PROFIT AND LOSS ACCOUNT FOR THE  
 YEAR ENDED 30 APRIL 2001

	Note	2001 £	2000 £
TURNOVER	1(b)	47,416	159,470
Cost of Sales		4,742	110,054
		-----	-----
GROSS PROFIT		42,674	49,416
Administration expenses		26,217	42,069
		-----	-----
OPERATING PROFIT	3	16,457	7,347
Exceptional item	4	16,416	0
Interest payable	5	(44,028)	(29,694)
		-----	-----
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(11,155)	(22,347)
Taxation	6	7,000	0
		-----	-----
(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		(18,155)	(22,347)
Dividends	7	8,000	1,000
		-----	-----
RETAINED (LOSS) FOR THE YEAR	14	(26,155)	(23,347)
		=====	=====

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2001 £	2000 £
(Loss) for the financial year	(26,155)	(23,347)
Surplus on revaluation	48,839	0
	-----	-----
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	22,684	(23,347)
	-----	-----

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

HARAN LTD  
COMPANY NUMBER 2675793  
BALANCE SHEET AS AT  
30 APRIL 2001

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	Note	2001 £	2000 £
<b>FIXED ASSETS</b>			
Tangible assets	8	698,698	795,320
		-----	-----
<b>CURRENT ASSETS</b>			
Debtors	9	2,868	13,634
Cash at bank and in hand		0	0
		-----	-----
		2,868	13,634
		-----	-----
<b>CREDITORS:</b>			
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	10	115,817	72,934
		-----	-----
<b>NET CURRENT ASSETS</b>		(112,949)	(59,300)
		-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		585,749	736,020
<b>CREDITORS:</b>			
<b>AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	11	448,222	572,338
		-----	-----
		137,527	163,682
		=====	=====
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	2	2
Revaluation reserve	14	111,798	160,637
Profit and loss account	14	25,727	3,043
		-----	-----
<b>SHAREHOLDERS' FUNDS</b>		137,527	163,682
(Equity interests)		=====	=====

For the financial year ended 30 April 2001, 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 27 February 2002

..... 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 2001

# 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:

	2001 £	2000 £
Depreciation of tangible fixed assets	2,764	1,029
Directors' remuneration	8,000	6,704
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HARAN LTD  
 NOTES TO THE FINANCIAL STATEMENTS FOR THE  
 YEAR ENDED 30 APRIL 2001 (CONT.)

## 4. EXCEPTIONAL ITEM

	2001 £	2000 £
Profit on disposal of freehold property	16,416	0

## 5. INTEREST PAYABLE

	2001 £	2000 £
Bank overdraft interest	1,611	404
Interest on loans repayable in more than five years by instalments	42,417	27,796
Interest payable on other loans	0	2,250
	44,028	30,450
less: interest receivable	0	756
	44,028	29,694

## 6. TAXATION

	£	£
UK corporation tax	7,000	0

UK corporation tax has been provided at the rate of 25.0%.

## 7. DIVIDENDS

	2001 £	2000 £
Net dividend per ordinary share: Proposed final £4,000 (2000 £500) per share	8,000	1,000

HARAN LTD  
 NOTES TO THE FINANCIAL STATEMENTS FOR THE  
 YEAR ENDED 30 APRIL 2001 (CONT.)

## 8. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	TOTAL £
COST OR VALUATION			
As at 1 May 2000	781,784	25,611	807,395
Additions	46,142	0	46,142
Disposals	(140,000)	0	(140,000)
As at 30 April 2001	687,926	25,611	713,537
DEPRECIATION			
As at 1 May 2000	0	12,075	12,075
Provided	0	2,764	2,764
Eliminated	0	0	0
As at 30 April 2001	0	14,839	14,839
NET BOOK VALUE			
As at 30 April 2001	687,926	10,772	698,698
As at 30 April 2000	781,784	13,536	795,320

Cost or valuation as at 30 April 2001 is represented by:

	Freehold Property £	Plant & Machinery £	TOTAL £
Cost	576,128	25,611	601,739
Revaluation surplus (1998)	111,798	0	111,798
	687,926	25,611	713,537

## 9. DEBTORS

	2001 £	2000 £
Trade debtors	0	10,744
Prepayments	2,687	2,890
Other debtors	181	2,890
	2,868	16,524



HARAN LTD  
 NOTES TO THE FINANCIAL STATEMENTS FOR THE  
 YEAR ENDED 30 APRIL 2001 (CONT.)

10. CREDITORS: AMOUNTS FALLING DUE  
 WITHIN ONE YEAR

	2001 £	2000 £
Trade creditors	1,394	10,774
Bank overdraft (secured)	68,041	9,723
Bank loan (secured)	20,273	22,465
Accruals	4,445	7,980
Corporation tax	7,000	0
Other taxation and social security	0	723
Director's loan	6,664	20,269
Proposed dividends	8,000	1,000
	<u>115,817</u>	<u>72,934</u>

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

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

	2001 £	2000 £
Bank loans and overdrafts (secured):		
Amounts falling due repayable		
by instalments:		
Between one and five years	97,117	108,480
In more than five years	351,105	463,858
	<u>448,222</u>	<u>572,338</u>

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

12. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation:

	2001 £	2000 £
Accelerated capital allowances	0	0
Revalued properties	22,360	32,127
	<u>22,360</u>	<u>32,127</u>
less: amounts not provided	22,360	32,127
	<u>0</u>	<u>0</u>
	=====	=====

HARAN LTD  
 NOTES TO THE FINANCIAL STATEMENTS FOR THE  
 YEAR ENDED 30 APRIL 2001 (CONT.)

## 13. CALLED UP SHARE CAPITAL

	2001 £	2000 £
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. RESERVES

	Profit & Loss account £	Revaluation Reserve £	TOTAL £
As at 1 May 2000	3,043	160,637	163,680
Realisation on disposal	48,839	(48,839)	0
Profit for the year	(26,155)	0	(26,155)
	-----	-----	-----
As at 30 April 2001	25,727	111,798	160,637
	-----	-----	=====

## 15. TRANSACTIONS WITH DIRECTORS

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 £47,416 (2000 £50,539) under this arrangement and paid £4,742 (2000 £5,040) by way of commission for it.

The company also purchased £nil (2000 £105,000) 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 £nil remained unpaid and is included in the balance sheet as a creditor (2000 £10,000).