

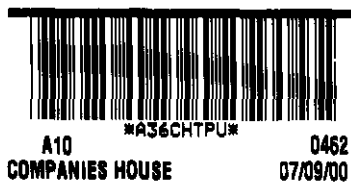
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T A HORN (HOLDINGS) LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MAY 2000**

**CARTWRIGHTS
Registered Auditors
Registered Auditors
Regency House
33 Wood Street
Barnet
Herts
EN5 4BE**



T A HORN (HOLDINGS) LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2000

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T A HORN (HOLDINGS) LIMITED

COMPANY INFORMATION AS AT 31 MAY 2000

DIRECTORS

N Whittaker
P Gomes

SECRETARY

N Whittaker

REGISTERED OFFICE

24A St Wilfrids Road
Barnet
Herts

AUDITORS

Cartwrights
Registered Auditors
Regency House
33 Wood Street
Barnet
Herts
EN5 4BE

PRINCIPAL BANKERS

National Westminster Bank plc
2nd floor
Nicon House
43-45 Silver Street
Enfield
EN1 3TE

T A HORN (HOLDINGS) LIMITED

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 31 May 2000.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was that of a holding company.

REVIEW OF THE BUSINESS

The net profit after providing for taxation amounted to £50,000.

The company had no trading transactions during the year. It received a dividend from its subsidiary TA Horn Ltd of £50,000 (1999: £20,000) and declared a dividend of £50,000 (1999: £17,132). The retained profit of £Nil (1999: £2,868) is being transferred to reserves.

INTRODUCTION OF THE SINGLE EUROPEAN CURRENCY

The directors consider that the Euro will have no impact on the business.

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

| | | Number of Shares | |
|-------------|-----------------|-------------------------|-------------|
| | | 2000 | 1999 |
| N Whittaker | Ordinary shares | 240,000 | 240,000 |
| P Gomes | Ordinary shares | 240,000 | 240,000 |

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 as at the end of the financial year 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 maintaining 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.

YEAR 2000 ISSUES

The directors made an assessment of the Year 2000 problem.

The company undertook a review of all systems affected by the problem and acquired replacement products as necessary.

No Year 2000 related problems have been encountered during the period from 1 January 2000 to the date of this report.

T A HORN (HOLDINGS) LIMITED

DIRECTORS' REPORT

AUDITORS

The auditors, Cartwrights, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

On behalf of the board:



N Whittaker
Director

Date: 31/05/2000

T A HORN (HOLDINGS) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and on the basis of accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the directors' report, the company's directors are responsible for the preparation of 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.

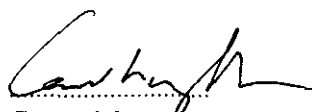
BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices 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 as to whether 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.

OPINION

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



Cartwrights
Registered Auditors
Registered Auditors
Regency House
33 Wood Street
Barnet
Herts
EN5 4BE

Date: 3/8/00

T A HORN (HOLDINGS) LIMITED

PROFIT AND LOSS ACCOUNT¹ FOR THE YEAR ENDED 31 MAY 2000

| | Notes | 2000 £ | 1999 £ |
|--|-------|---------------|---------------|
| Income from shares in group undertakings | | 50,000 | 20,000 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | <u>50,000</u> | <u>20,000</u> |
| PROFIT FOR THE FINANCIAL YEAR | | 50,000 | 20,000 |
| Dividends | 4 | (50,000) | (17,132) |
| ACCUMULATED LOSS FOR THE FINANCIAL YEAR | 11 | <u>-</u> | <u>2,868</u> |

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two financial years.


T A HORN (HOLDINGS) LIMITED

BALANCE SHEET AT 31 MAY 2000

| | Notes | £ | 2000 £ | £ | 1999 £ |
|--|-------|-----------|-----------|----------|-----------|
| FIXED ASSETS | | | | | |
| Investments | 5 | | 720,000 | | 720,000 |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | - | | 2,868 | |
| Cash at bank and in hand | | 123 | | - | |
| | | 123 | | 2,868 | |
| CREDITORS: amounts falling due within one year | 7 | (178,962) | | (81,379) | |
| NET CURRENT LIABILITIES | | | (178,839) | | (78,511) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 541,161 | | 641,489 |
| CREDITORS: amounts falling due after more than one year | 8 | | (58,293) | | (158,621) |
| NET ASSETS | | | 482,868 | | 482,868 |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 10 | | 480,000 | | 480,000 |
| Profit and loss account | 11 | | 2,868 | | 2,868 |
| TOTAL SHAREHOLDERS' FUNDS | 12 | | 482,868 | | 482,868 |

The financial statements 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 of directors on 31 Aug 2000 and signed on its behalf by:



N Whittaker
Director

T A HORN (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2000

1. STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

Dividends are brought to account in the profit and loss account when received.

2. INVESTMENT INCOME AND INTEREST RECEIVABLE

| | 2000 | 1999 |
|--------------------------------|-------------|-------------|
| | £ | £ |
| Investment income | | |
| Income from group undertakings | 50,000 | 20,000 |

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

There is no liability to corporation tax in the year.

4. DIVIDENDS PAID OR PROPOSED

| | 2000 | 1999 |
|-------------------------------|-------------|-------------|
| | £ | £ |
| On ordinary shares: | | |
| Dividend paid during the year | 50,000 | 17,132 |

5. INVESTMENTS

| Cost or valuation: | Beginning and end of year £ |
|---|--|
| Other investments | 720,000 |
| Other investments other than loans | |

T A HORN (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2000

5. INVESTMENTS - (continued)

Shares in related undertakings:

| Cost or valuation: | Beginning and end of year £ |
|---------------------------|--|
| Shares: | |
| Group undertaking | 720,000 |
| Net book value | 720,000 |

The investment represents a 100% shareholding in TA Horn Limited, acquired on 15 April 1999.

6. DEBTORS

| | 2000 £ | 1999 £ |
|------------------------------------|-------------------|-------------------|
| Amounts owed by subsidiary company | - | 2,868 |

7. CREDITORS: amounts falling due within one year

| | 2000 £ | 1999 £ |
|------------------------------------|-------------------|-------------------|
| Amounts owed to subsidiary company | 96,203 | - |
| Fully paid loan notes | 82,759 | 81,379 |
| | 178,962 | 81,379 |

On 15 April 1999, £240,000 of fully paid loan notes were issued to P Jones.

These loan notes are repayable by an amount of £40,000 on 15 November 1999 and 29 equal consecutive monthly instalments commencing on 15 December 1999.

Interest is payable on the amount outstanding from the date of issue calculated on a day to day basis of 2% over the National Westminster Bank plc base rate. Such interest is payable 30 days after the date of issue and monthly thereafter.

8. CREDITORS: amounts falling due after more than one year

| | 2000 £ | 1999 £ |
|-----------------------|-------------------|-------------------|
| Fully paid loan notes | 58,293 | 158,621 |

T A HORN (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2000

9. BORROWINGS

| | 2000 | 1999 |
|---|-------------|-------------|
| | £ | £ |
| The company's borrowings are repayable as follows | | |
| Up to one year and on demand | 82,759 | 81,379 |

10. SHARE CAPITAL

| | 2000 | 1999 |
|-------------------------------------|-------------|-------------|
| | £ | £ |
| Authorised: | | |
| Equity interests: | | |
| 500,000 Ordinary shares of £1 each | 500,000 | 500,000 |
| Allotted, called up and fully paid: | | |
| Equity interests: | | |
| 480,000 Ordinary shares of £1 each | 480,000 | 480,000 |

On 15 April 1999, the authorised share capital of the company was increased to 500,000 Ordinary shares of £1 each.

480,000 Ordinary shares of £1 each fully paid were issued in addition to £240,000 of fully paid loan notes in order to acquire a 100% shareholding in TA Horn Limited.

11. PROFIT AND LOSS ACCOUNT

| | 2000 | 1999 |
|-----------------------------------|-------------|-------------|
| | £ | £ |
| Retained profit as at 1 June 1999 | 2,868 | - |
| Profit for the year | - | 2,868 |
| Retained profit as at 31 May 2000 | 2,868 | 2,868 |

T A HORN (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2000

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2000 | 1999 |
|-------------------------------------|-------------|-------------|
| | £ | £ |
| Profit for the year | 50,000 | 20,000 |
| Dividends | (50,000) | (17,132) |
| Net addition to shareholders' funds | - | 2,868 |
| Opening shareholders' funds | 482,868 | 480,000 |
| Closing shareholders' funds | 482,868 | 482,868 |
| Represented by:- | | |
| Equity interests | 482,868 | 482,868 |

13. RELATED PARTY DISCLOSURES

During the year the company received a dividend of £50,000 (1999: £20,000) from its wholly owned subsidiary, T A Horn Limited.

At the balance sheet date the company owed £96,203 to T A Horn Limited. At 31 May 1999, the company was owed £2,868 by T A Horn Limited.

14. CONTROL

The company has no controlling party.