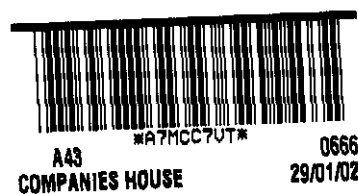


GRETA COTTAGE LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31ST AUGUST 2001

COMPANY NUMBER : 3835882



GRETA COTTAGE LIMITED

**Accountant's Report to the Shareholders on the Unaudited Financial
Statements of Greta Cottage Limited**

The following reproduces the text of the report prepared for the purposes of section 249A(2) Companies Act 1985 in respect of the company's financial statements, from which the abbreviated accounts (set out on pages 2 and 3) have been prepared.

We report on the financial statements for the year ended 31st August 2001 set out on pages 4 to 8.

Respective responsibilities of directors and reporting accountants

As described on the balance sheet the company directors are responsible for the preparation of financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

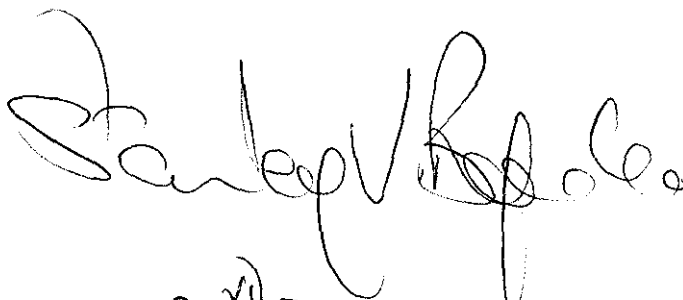
Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (c) the financial statements are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;
 - (d) having regard only to, and on the basis of, the information contained in those accounting records:
- (iii) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
- (iv) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A(4) of the Act and did not, at any time within that, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1)'

Stanley V Bye & Co
Chartered Accountants and
Reporting Accountants
61 Borough Road
Middlesbrough
TS1 3AA


23rd January 2002

GRETA COTTAGE LIMITED

BALANCE SHEET

AS AT 31ST AUGUST 2001

	Note	2001	2000
		£	£
FIXED ASSETS			
Tangible assets	2a	247069	229505
Intangible assets	2b	48150	50825
		<u>295219</u>	<u>280330</u>
CURRENT ASSETS			
Debtors	3	12669	4831
Cash at Bank and in Hand		35280	14487
		<u>47949</u>	<u>19318</u>
CREDITORS:AMOUNTS FALLING DUE WITHIN ONE YEAR		<u>(61340)</u>	<u>(34982)</u>
NET CURRENT LIABILITIES		<u>(13391)</u>	<u>(15664)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>281828</u>	<u>264666</u>
CREDITORS:AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		<u>(208089)</u>	<u>(247066)</u>
NET ASSETS		<u><u>73739</u></u>	<u><u>17600</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	2	2
Profit and Loss Account		73737	17598
		<u><u>73739</u></u>	<u><u>17600</u></u>

In approving these financial statements as directors of the company we hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;
- (b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31st August 2001 and
- (c) that we acknowledge our responsibilities for:
 - (1) ensuring that the company keeps accounting records which comply with Section 221, and
 - (2) preparing financial statements 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 its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are 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 (effective March 2000).

J Russi

H Russi

DIRECTORS

GRETA COTTAGE LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a) Basis of accounting

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

b) Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets over their estimated useful lives at the following annual rates:-

Property	4%
Office Equipment	25%
Furniture	15%
Fixtures and Fittings	10%
Conservatory	10%

c) Amortisation

Goodwill	5%
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Goodwill is amortised on a straight line basis over its estimated useful life.

d) Deferred Taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences other than those which are expected with reasonable probability to continue in the foreseeable future.

2a. TANGIBLE FIXED ASSETS

	Property incl legal charges £	Fixtures & Fittings £	Conservatory £	Office Furniture £	Office Equipment £	TOTAL £
COST						
At 31st August 2000	212635	12400	14650	321	928	240934
Additions	25490	3812	-	-	660	29962
At 31st August 2001	238125	16212	14650	321	1588	270896
DEPRECIATION						
At 31st August 2000	8505	1240	1465	80	139	11429
Charge for the Year	9185	1497	1318	36	362	12398
At 31st August 2001	17690	2737	2783	116	501	23827
NET BOOK VALUE						
At 31st August 2001	220435	13475	11867	205	1087	247069
At 31st August 2000	204130	11160	13185	241	789	229505

There were commitments to capital expenditure at 31st August 2000 of £16000. There were no commitments at 31st August 2001.

GRETA COTTAGE LIMITED

NOTES TO THE ACCOUNTS

2b. INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 31st August 2000 and

At 31st August 2001

53500

AMORTISATION

At 31st August 2000

Charge for the year

2675

2675

At 31st August 2001

5350

NET BOOK VALUE

At 31st August 2001

48150

At 31st August 2000

50825

3. DEBTORS

All debtors are receivable within one year.

4. CALLED UP SHARE CAPITAL

2001

2000

£

£

Authorised:

100 Ordinary Shares of £1 each

100

100

Allotted, issued and fully paid:

2 Ordinary Shares of £1 each

2

2