

STRAND ESTATES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER 2000

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* FOR DIRECTORS CONSIDERATION ONLY



STRAND ESTATES LIMITED

COMPANY INFORMATION

DIRECTORS:

A. SURI
T. MAEIZUMI
Mrs. A. SURI

SECRETARY:

N. C. WHITALL

REGISTERED
OFFICE:

STRAND HOUSE,
GALWAY ROAD,
BLACKBUSHE BUSINESS PARK,
YATELEY, HAMPSHIRE,
GU46 6GE

BANKERS:

LLOYDS BANK PLC,
HARROW BRANCH,
286, STATION ROAD,
HARROW, MIDDX.
HA1 2YW

AUDITORS:

THAKRAR COOMBS & CO
CHARTERED CERTIFIED ACCOUNTANTS
AND REGISTERED AUDITORS
THE DAIRY HOUSE
MONEYROW GREEN
HOLYPORT
MAIDENHEAD
BERKS. SL6 2ND

Company Incorporated at Cardiff No: 2780661

REPORT OF THE DIRECTORS TO THE MEMBERS OF
STRAND ESTATES LIMITED

The Director submits his report, together with the financial statements of the Company for the year ended 31st December 2000.

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 judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

PRINCIPAL ACTIVITIES

The principal activity maintained by the company throughout the year is the Rental of the Freehold Property.

RESULTS AND APPROPRIATIONS

The results for the year, financial position of the company and recommended transfer to reserves are shown in the annexed accounts.

DIVIDENDS

The Director recommends that no dividend be paid for the year.

FIXED ASSETS

Details of movements in fixed assets are set out in Note 7 to the financial statements.

No depreciation is provided on the Freehold Property as the property is held for its investment potential and maintained in good condition so as to prolong its useful life.

In the opinion of the Directors, the market value of the property is in excess of cost.

REPORT OF THE DIRECTORS TO THE MEMBERS OF
STRAND ESTATES LIMITED
(CONTINUED)

DIRECTOR'S INTERESTS IN SHARES

The Director who served during the year and his beneficial interests in the company's issued ordinary Share Capital were as follows at the beginning and end of the year:-

<u>Name</u>	<u>Description of Shares</u>	<u>As at 31.12.2000</u>	<u>As at 31.12.1999</u>
A. Suri	Ordinary Shares of £1 each	50	50
T. Maeizumi	Ordinary Shares of £1 each	50	50
Mrs. A. Suri	Ordinary Shares of £1 each	-	-

AUDITORS

In accordance with Section 384 of the Companies Act 1985 a Resolution proposing the re-appointment of Thakrar Coombs & Co., as auditors to the company will be put to the forthcoming Annual General Meeting.

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

By Order of the Board



Dated: 24th October 2001

N. C. WHITALL
Secretary

REPORT OF THE AUDITORS
TO THE SHAREHOLDERS OF
STRAND ESTATES LIMITED

We have audited the financial statements on Pages 5 to 10, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of Directors and Auditors

As described on Page 2 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 evident 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 that 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 the company's affairs as at 31st December 2000 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Thakrar Coombs & Co
Chartered Certified Accountants and Registered Auditors

Dated: 24th October 2001

The Dairy House,
Moneyrow Green
Holyport
Maidenhead
Berks.
SL6 2ND

STRAND ESTATES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2000

	<u>NOTE</u>	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
Turnover	(1b)	182,175	182,175
Administrative Costs		64,002	47,722
		<u>118,173</u>	<u>134,453</u>
Interest Payable	(2)	103,386	105,717
Profit on Ordinary Activities before taxation	(3)	<u>14,787</u>	<u>28,736</u>
Taxation	(4)	4,650	8,695
Profit on Ordinary Activities after Taxation		<u>10,137</u>	<u>20,041</u>
Dividends	(5)	-	-
Retained Profit for the Year		<u>10,137</u>	<u>20,041</u>
Retained Profit Brought Forward		209,988	189,947
Retained Profit Carried Forward		<u>£220,125</u>	<u>£209,988</u>

There are no recognised gains or losses for the 2000 or 1999
other than those included in the Profit and Loss Account

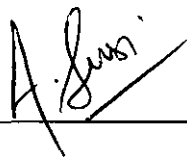
The Notes on Pages 7 to 10 form part of these Financial Statements

STRAND ESTATES LIMITED
BALANCE SHEET
AS AT 31ST DECEMBER 2000

	<u>NOTE</u>	<u>2000</u>	<u>1999</u>
		<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>			
Tangible Assets	(6)	1,459,724	1,428,823
<u>CURRENT ASSETS</u>			
Debtors	(7)	-	51,183
Cash at Bank		3,219	25,526
		<u>3,219</u>	<u>76,709</u>
<u>CREDITORS</u>			
Amount falling due within one year	(8a)	<u>145,977</u>	<u>170,626</u>
Net Current Liabilities		(142,758)	(93,917)
Total Assets less Current Liabilities		<u>1,316,966</u>	<u>1,334,906</u>
<u>CREDITORS</u>			
Amount falling due after one year	(8b)	1,096,741	1,124,818
Net Assets		<u>£220,225</u>	<u>£ 210,088</u>
<u>CAPITAL & RESERVES</u>			
Called up Share Capital	(9)	100	100
Profit and Loss Account		220,125	209,988
Shareholders Funds	(10)	<u>£220,225</u>	<u>£ 210,088</u>

These financial statements have been prepared in accordance with the special provision of Part VII of the Companies Act 1985 applicable to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

Signed: _____



A. Suri (Director)

Approved by the Board on 24th October 2001

The notes on Pages 7 to 10 form part of these Financial Statements

STRAND ESTATES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2000

NOTE 1 - ACCOUNTING POLICIES

(a) Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Small Entities (effective March 2000). They include the results of the company's operations which are described in the Directors Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement.

(b) Turnover

Turnover represents the rent receivable by the company, net of Value Added Tax.

(c) Tangible Fixed Assets and Depreciation

Tangible Fixed Assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost, less their estimated residual value, over their expected useful lives at the following rates: -

Motor Vehicle - 25% per annum reducing balance

No depreciation is provided on the freehold property as it is held for investment purposes. The company's policy is to maintain its property in good condition so as to prolong its useful life and any depreciation involved would not be material.

(d) Foreign Currencies

Transactions in foreign currencies are translated into sterling at the rates ruling when the transactions were incurred. Assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the Balance Sheet date. Exchange differences are taken into account in arriving at operating profit.

NOTE 2 - INTEREST PAYABLE

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Bank Overdraft	7	10
Building Society Loan, repayable by instalment	103,379	105,697
Late payment of Tax	-	10
	<u>£103,386</u>	<u>£105,717</u>

STRAND ESTATES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2000

NOTE 3 - PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging: -	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Depreciation of Tangible Fixed Assets	11,463	1,163
Loss on Sale of Fixed Assets	1,687	-
Exchange (Profit)/Losses	(58)	(19)
Directors Remuneration	45,000	32,583
Auditors Remuneration	1,600	1,600
Operating Lease rental receivable	<u>(182,175)</u>	<u>(182,175)</u>

NOTE 4 - TAXATION

U.K. Corporation Tax at 20/30%	<u>£ 4,650</u>	<u>£ 8,695</u>
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NOTE 5 - DIVIDENDS

No dividends were paid, during the year under review.

NOTE 6 - TANGIBLE FIXED ASSETS

<u>COST</u>	<u>Motor Vehicle £</u>	<u>Freehold Property £</u>	<u>Total £</u>
As at 1st January 2000	4,650	1,425,336	1,429,986
Additions	45,851	-	45,851
Disposals	(4,650)	-	(4,650)
As at 31st December 2000	<u>£ 45,851</u>	<u>£ 1,425,336</u>	<u>£ 1,471,187</u>

DEPRECIATION

As at 1st January 2000	1,163	-	1,163
Charge for the Year	11,463	-	11,463
Eliminated on Disposals	(1,163)	-	(1,163)
As at 31st December 2000	<u>£ 11,463</u>	<u>£ -</u>	<u>£ 11,463</u>

NET BOOK VALUES

As at 31st December 2000	<u>£ 34,388</u>	<u>£ 1,425,336</u>	<u>£ 1,459,724</u>
As at 31st December 1999	<u>£ 3,487</u>	<u>£ 1,425,336</u>	<u>£ 1,428,823</u>

STRAND ESTATES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2000

NOTE 6 – TANGIBLE FIXED ASSETS (Continued)

No depreciation has been provided on the Freehold Property. In the opinion of the directors the market value of the property is in excess of cost.

The company's Freehold Property was valued by Vail-Williams Chartered Surveyors on 10th September 1997. In their opinion, the open market value of the property at that date was £1,750,000.

This valuation has not been incorporated in the accounts.

NOTE 7 – DEBTORS

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
<u>Amounts falling due within one year</u>		
Amount due from related company	-	51,028
Prepayments	-	155
	<u>£ -</u>	<u>51,183</u>

NOTE 8 - CREDITORS(a) Amounts falling due within one year

Building Society Loan (Secured)	23,837	23,837
Amount due to related company	44,450	-
Social Security and other Taxes	21,125	21,982
Corporation Tax	4,650	8,695
Sundry Creditors and Accruals	36,420	49,472
Directors Current Account	15,495	66,640
	<u>£145,977</u>	<u>£170,626</u>

(b) Amounts falling due after one year

Building Society Loan (Secured)		
Repayable between - 2 – 5 years	118,852	118,852
Repayable after 5 years	977,889	1,005,966
	<u>£1,096,741</u>	<u>£1,124,818</u>

The Building Society Loan is secured over the company's freehold property.

NOTE 9 – SHARE CAPITALAuthorised, Issued and Fully Paid

Ordinary Shares of £1 each	<u>£100</u>	<u>£100</u>
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NOTE 10 – RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

Profit for the Year	10,137	20,041
Dividends Paid	-	-
Net Increase in Shareholders Funds	<u>10,137</u>	<u>20,041</u>
Balance Brought forward as at 1st January 2000	210,088	190,047
Balance Carried Forward as at 31st December 2000	<u>£220,225</u>	<u>£210,088</u>

STRAND ESTATES LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2000

NOTE 11 - RELATED PARTY TRANSACTIONS

The company is controlled by A. Suri and T. Maeizumi, who are both directors and shareholders of the company

Strand Europe Limited occupies the freehold property owned by the company. Both Messrs A. Suri and T. Maeizumi are directors and shareholders of Strand Europe Limited.

Transaction with Strand Europe Limited, a related party, during the year under review were as follows: -

Rent receivable	£ 182,175
Balance due to Related Party	£44,450

There were no transactions with any related party, during the year under review.

The amount due to the director, as at 31st December 2000 amounted to: -

A. Suri	£ Nil
T. Maeizumi	£ 578
Mrs. A Suri	£ 14,917