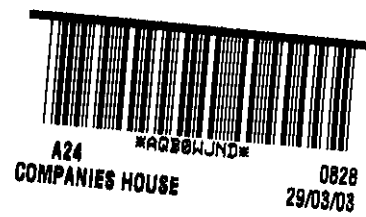


Registration Number 3562779

Hare Developments Limited
Directors' Report and Financial Statements
for the year ended 31 May 2002



Hare Developments Limited

Company Information

Directors	Raymond J Hare Michael J Hare
Secretary	Mrs Ceilia Joy Hare
Company Number	3562779
Registered Office	Flockton House Egton Whitby North Yorkshire
Business Address	Flockton House Egton Whitby North Yorkshire
Bankers	Midland Bank 4 Baxtergate Whitby North Yorkshire YO21 1BD
Solicitors	McCormicks Britannia Chambers 4 Oxford Place Leeds LS1 3AX

Hare Developments Limited

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Hare Developments Limited

Directors' Report for the year ended 31 May 2002

The directors present their report and the financial statements for the year ended 31 May 2002.

Principal Activity

The principal activity of the company is one of property development.

Directors and their Interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31 May 2002	1 June 2001 or date of appointment
Raymond J Hare	1	1
Michael J Hare	1	1

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

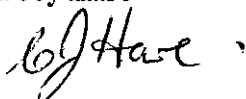
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

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

This report was approved by the Board on 18 March 2003 and signed on its behalf by

Mrs Ceilia Joy Hare
Secretary



Hare Developments Limited

Profit and Loss Account for the year ended 31 May 2002

		Continuing operations	
		2002	2001
	Notes	£	£
Turnover	2	30,000	162,400
Cost of sales		-	(135,500)
Gross profit		30,000	26,900
Administrative expenses		(1,610)	(5,260)
Operating profit		28,390	21,640
Interest receivable and similar income		1,596	33
Interest payable and similar charges	3	(398)	(2,828)
Profit on ordinary activities before taxation		29,588	18,845
Tax on profit on ordinary activities	4	(5,281)	(3,769)
Profit on ordinary activities after taxation		24,307	15,076
Dividends		-	(13,000)
Retained profit for the year		24,307	2,076
Retained profit brought forward		25,422	23,346
Retained profit carried forward		49,729	25,422

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 5 to 6 form an integral part of these financial statements.

Hare Developments Limited

Balance Sheet as at 31 May 2002

	Notes	2002 £	£	2001 £	£
Current Assets					
Debtors	5	-		1,000	
Cash at bank and in hand		68,000		50,033	
		<u>68,000</u>		<u>51,033</u>	
Creditors: amounts falling due within one year	6	<u>(18,269)</u>		<u>(25,609)</u>	
Net Current Assets			<u>49,731</u>		<u>25,424</u>
Total Assets Less Current Liabilities			<u>49,731</u>		<u>25,424</u>
Capital and Reserves					
Called up share capital	7		2		2
Profit and loss account			49,729		25,422
Equity Shareholders' Funds	8		<u>49,731</u>		<u>25,424</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 5 to 6 form an integral part of these financial statements.

Hare Developments Limited

Balance Sheet (continued)

**Directors' statements required by Section 249B(4)
for the year ended 31 May 2002**

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 31 May 2002 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.

The financial statements approved by the Board on 18 March 2003 and signed on its behalf by

Raymond J Hare
Director



The notes on pages 5 to 6 form an integral part of these financial statements.

Hare Developments Limited

Notes to the Financial Statements for the year ended 31 May 2002

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Interest payable and similar charges

2002	2001
£	£

On bank loans and overdrafts	398	2,828
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4. Taxation

2002	2001
£	£

UK current year taxation

UK Corporation Tax	5,281	3,769
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5. Debtors

2002	2001
£	£

Trade debtors	-	1,000
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Hare Developments Limited

Notes to the Financial Statements for the year ended 31 May 2002

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6. Creditors: amounts falling due within one year	2002	2001
	£	£
Bank overdraft	-	2,632
Corporation tax	5,280	9,606
Directors' accounts	12,548	12,548
Accruals and deferred income	441	823
	<u>18,269</u>	<u>25,609</u>
7. Share capital	2002	2001
	£	£
Authorised equity		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid equity		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>
8. Reconciliation of movements in shareholders' funds	2002	2001
	£	£
Profit for the year	24,307	15,076
Dividends	-	(13,000)
	<u>24,307</u>	<u>2,076</u>
Opening shareholders' funds	25,424	23,348
	<u>49,731</u>	<u>25,424</u>
9. Capital commitments		
10. Contingent liabilities		
11. Post Balance Sheet events		

Hare Developments Limited

Detailed Trading and Profit and Loss Account for the year ended 31 May 2002

	2002		2001	
	£	£	£	£
Sales		30,000		162,400
Cost of sales				
Opening stock	-		61,500	
Subcontract labour	-		74,000	
	<u>-</u>		<u>135,500</u>	
		-		(135,500)
Gross profit	100%	30,000	17%	26,900
Administrative expenses	<u>1,610</u>		<u>5,260</u>	
		(1,610)		(5,260)
Operating profit	95%	28,390	13%	21,640
Other income and expenses				
Interest receivable				
Bank deposit interest	<u>1,596</u>		<u>33</u>	
		1,596		33
Interest payable				
Bank interest	<u>398</u>		<u>2,828</u>	
		(398)		(2,828)
Net profit for the year		<u>29,588</u>		<u>18,845</u>