

Company No. 1894782

EXPLOITS LIMITED
ACCOUNTS FOR THE YEAR ENDED
31ST DECEMBER 2000



Registered Office:
PO Box 14
Saxmundham
Suffolk
IP17 2LQ



EXPLOITS LIMITED
DIRECTORS REPORT FOR THE YEAR ENDED 31ST DECEMBER 2000

The directors present their Report and the company's Financial Statements for the year ended 31st December 2000.

Principal Activities

The principal activities of the company during the year under review were that of food consultancy and farming. The company also has a participating profit share in a hotel.

Review of the Business

The company owes the freehold interest in a property which operates a hotel trading as Crown & Castle Hotel. This business is operated as a joint venture between the company and Mr D J Watson and Mrs R H S Watson, who is a director of the company. The company's share of the results for the year under review is recognised in the enclosed accounts, as detailed in notes 6 and 16 to these financial statements.

The directors consider the state of the company's affairs to be satisfactory.

Results and Dividends

There was a loss for the period amounting to £14,700 (1999 profit £288,483), as set out on page 4 of the financial statements. An interim dividend of £14,000 was paid on 31st March 2000 and a second interim dividend of £12,000 was paid on 31st December 2000 (1999 £30,000).

Significant changes in Fixed Assets

During the year, one of the company's properties was sold for a total consideration of £110,000, which gave rise to an accounting profit, after deducting costs of sale, amounting to £55,335. Improvement expenditure on the freehold property operated by the joint venture amounted to £160,177.

The movement in tangible fixed assets during the year is shown in note 8 to the financial statements.

Directors and Directors' Interests

The directors who held office during the year under review were as follows:

Mrs R. H. S. Watson
E. R. Thompson

The directors who held office at the end of the financial year had the following interest in the ordinary shares of the company as recorded in the register of directors' share interests:

		Interest at the end of period	Interest at beginning of period
R. H. S. Watson	£1 ordinary shares	97	97
E. R. Thompson	£1 ordinary shares	-	-

EXPLOITS LIMITED

DIRECTORS REPORT FOR THE YEAR ENDED 31ST DECEMBER 2000

Directors' Responsibilities for the Financial Statements (Continued)

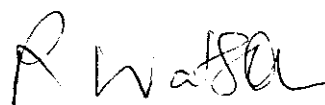
Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 1 Select suitable accounting policies and then apply them consistently.
- 2 Make judgements and estimates that are reasonable and prudent.
- 3 State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 4 Prepare the financial statements on a 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.

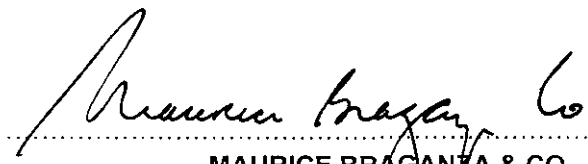
The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

23rd October 2001


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On behalf of the Board

ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS
TO THE DIRECTORS OF EXPLOITS LIMITED

As described on the Balance Sheet you are responsible for the preparation of the accounts for the year ended 31st December 2000 set out on pages 4 to 11 and you consider that the company is exempt from an audit and report under Section 249A(2) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.


.....
MAURICE BRAGANZA & CO.
Chartered Accountants

Russell Chambers
The Piazza
Covent Garden
London
WC2E 8AA

23rd October 2001

EXPLOITS LIMITED

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

	Notes	Year to 31.12.00 £	14 months to 31.12.99 £
Turnover	1	22,795	31,278
Cost of sales		<u>(452)</u>	<u>(4,018)</u>
Gross Profit		22,343	27,260
Operating costs		(36,204)	(33,959)
Exceptional items	5	<u>55,335</u>	<u>323,223</u>
		41,474	316,524
Other operating income/(losses)	6	<u>(44,104)</u>	<u>(7,623)</u>
Operating Profit/(Loss)		(2,630)	308,901
Other interest receivable and similar income		-	5,496
Interest payable and similar charges	3	<u>(11,470)</u>	<u>(11,914)</u>
Profit/(Loss) on ordinary activities before taxation	2	(14,100)	302,483
Tax on ordinary activities	4	<u>600</u>	<u>14,000</u>
Profit/(Loss) for the financial period		(14,700)	288,483
Dividends	7	<u>26,000</u>	<u>30,000</u>
		(40,700)	258,483
RETAINED PROFITS AT 31ST DECEMBER 1999		<u>782,750</u>	<u>524,267</u>
RETAINED PROFITS AT 31ST DECEMBER 2000		<u><u>742,050</u></u>	<u><u>782,750</u></u>

The notes on pages 7 to 11 form part of these financial statements.

There were no recognised gains or losses other than the profit/ (loss) for the period.

EXPLOITS LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible assets	8	1,088,771	1,010,266
Investments	9	-	-
		<u>1,088,771</u>	<u>1,010,266</u>
CURRENT ASSETS			
Debtors	10	2,964	2,857
Cash at bank and in hand		<u>2,399</u>	<u>14,863</u>
		5,363	17,720
CREDITORS: Amounts falling due within one year	11	<u>228,984</u>	<u>122,736</u>
NET CURRENT LIABILITIES		<u>(223,621)</u>	<u>(105,016)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		865,150	905,250
CREDITORS: Amounts falling due after more than one year	12	(120,300)	(120,300)
PROVISION FOR LIABILITIES	13	(2,600)	(2,000)
NET ASSETS		<u><u>742,250</u></u>	<u><u>782,950</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	194	194
Other reserves		6	6
Profit and loss account		<u>742,050</u>	<u>782,750</u>
Shareholders funds	15	<u><u>742,250</u></u>	<u><u>782,950</u></u>

The notes on pages 7 to 11 form part of these financial statements.

The statements required to be made by the company's directors and the signatures required by the Companies Act 1985 are given on the following page.

EXPLOITS LIMITED

BALANCE SHEET (CONT) AS AT 31ST DECEMBER 2000

The directors have taken advantage of the exemption conferred by Section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for ensuring that:-

- i) The company keeps accounting records which comply with Section 221 of the Companies Act 1985.
- ii) The financial statements give a true and fair view of the state of affairs of the company at 31st December 2000 and of its profit or loss for the period then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

Approved on 23rd October 2001



Mrs R. H. S. Watson
Director

EXPLOITS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2000

1 ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal annual instalments over their estimated useful economic lives as follows:

Freehold buildings and improvements	-	2%-5% on cost
Motor vehicles	-	25% on cost
Fittings, equipment and plant	-	10%-25% on cost

No depreciation is charged on freehold land.

Investment properties are not depreciated, but provision is made for any permanent diminution in value.

Hire purchase

The cost of assets acquired under hire purchase agreements are capitalised and written off over the estimated useful life of the asset or over the period of the agreement when such period approximates to the estimated useful life. The finance costs are charged to revenue in the period in which they accrue on a sum of digits basis.

Taxation

The charge for taxation is based on the results for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts, excluding value added tax, derived from the provision of goods and services to customers during the year.

EXPLOITS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2000

2 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit/(loss) on ordinary activities before taxation is stated after charging:

	Year to 31.12.00 £	14 months to 31.12.99 £
Depreciation of tangible fixed assets	30,995	17,155
Loss on disposal of fixed assets	<u>2</u>	<u>-</u>

No remuneration was paid to the directors in respect of the period under review (1999 nil).

3 INTEREST PAYABLE AND SIMILAR CHARGES

	Year to 31.12.00 £	14 months to 31.12.99 £
On bank loans and overdrafts wholly repayable within five years	-	463
On agricultural mortgage	11,470	10,921
Other	-	530
	<u>11,470</u>	<u>11,914</u>

4 TAXATION

	Year to 31.12.00 £	14 months to 31.12.99 £
UK corporation tax at 20% (1999 20%/21%) on the results for the period on ordinary activities:		
Current taxation charge	-	12,000
Deferred taxation charge	600	2,000
	<u>600</u>	<u>14,000</u>

5 EXCEPTIONAL ITEMS

	Year to 31.12.00 £	14 months to 31.12.99 £
Profit on sale of property	55,335	337,223
Provision for loss on investment in subsidiary	-	(14,000)
	<u>55,335</u>	<u>323,223</u>

6 OTHER OPERATING INCOME/(LOSSES)

Other operating income/(losses) includes a loss of £46,204 (1999 - £7,701) in respect of the company's share of the joint venture, also referred to under note 16.

EXPLOITS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2000

	Year to 31.12.00 £	14 months to 31.12.99 £
7 DIVIDENDS		
First interim	14,000	30,000
Second interim	12,000	-
	<u>26,000</u>	<u>30,000</u>

8 TANGIBLE FIXED ASSETS	Freehold Land and Buildings £	Motor Vehicles £	Fittings and Equipment £	Total £
Cost				
At 1st January 2000	1,039,295	11,375	134,140	1,184,810
Disposals	(89,944)	(11,375)	-	(101,319)
Additions	160,177	-	444	160,621
At 31st December 2000	<u>1,109,528</u>	<u>-</u>	<u>134,584</u>	<u>1,244,112</u>
Depreciation and diminution in value				
At 1st January 2000	63,454	11,373	99,717	174,544
Eliminated on disposals	(38,825)	(11,373)	-	(50,198)
Charge for the year	20,373	-	10,622	30,995
At 31st December 2000	<u>45,002</u>	<u>-</u>	<u>110,339</u>	<u>155,341</u>
Net book value:				
At 31st December 2000	<u>1,064,526</u>	<u>-</u>	<u>24,245</u>	<u>1,088,771</u>
At 31st December 1999	<u>975,841</u>	<u>2</u>	<u>34,423</u>	<u>1,010,266</u>

9 FIXED ASSET INVESTMENTS	Shares in Subsidiary Undertakings £	Participating Interests £	Total £
Cost			
At 1st January 2000	23,246	25,000	48,246
Disposals	(23,246)	(25,000)	(48,246)
At 31st December 2000	<u>-</u>	<u>-</u>	<u>-</u>
Provisions			
At 1st January 2000	23,246	25,000	48,246
Eliminated in the year	(23,246)	(25,000)	(48,246)
At 31st December 2000	<u>-</u>	<u>-</u>	<u>-</u>
Net Book Value			
At 31st December 2000 and at 31st December 1999	<u>-</u>	<u>-</u>	<u>-</u>

Woodlands Suffolk Limited ceased trading in March 1998 and Multiyork PLC went into receivership in February 1995 and no repayment of capital will be made.

EXPLOITS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2000

10	DEBTORS	2000 £	1999 £
	Recoverable ACT	<u>2,964</u>	<u>2,857</u>
	The recoverable ACT set out above is repayable after more than one year.		
11	CREDITORS: Amounts falling due within one year	2000 £	1999 £
	Amount due to joint venture	55,405	7,701
	Taxation and social security costs	15,096	19,281
	Amount owed to subsidiary undertakings	-	618
	Proprietors loan account	152,241	81,873
	Accruals and deferred income	<u>6,242</u>	<u>13,263</u>
		<u>228,984</u>	<u>122,736</u>
12	CREDITORS: Amounts falling due after more than one year	2000 £	1999 £
	Agricultural Mortgage	<u>120,300</u>	<u>120,300</u>
	The agricultural mortgage is secured on the property of the company and is for a fixed term, repayable in the year 2005. Interest is charged at 9.95%		
13	PROVISION FOR LIABILITIES		
	Deferred taxation		£
	Balance at 1st January 2000		2,000
	Provided in the year		600
	Balance at 31st December 2000		<u>2,600</u>
14	CALLED UP SHARE CAPITAL	2000 £	1999 £
	Authorised Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
	Allotted, called up and fully paid Ordinary shares of £1 each	<u>194</u>	<u>194</u>
15	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2000 £	1999 £
	Shareholders' funds at 1st January 2000	782,950	524,467
	Profit/(loss) for the period	(14,700)	288,483
	Dividends	<u>(26,000)</u>	<u>(30,000)</u>
	Shareholders' funds at 31st December 2000	<u>742,250</u>	<u>782,950</u>

EXPLOITS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2000

16 RELATED PARTY TRANSACTIONS

The company operates a joint venture with Mrs R. H. S. Watson, a director of the company, also with Mr D. J. Watson. The company participates in 50% of the profit or loss, after a prior charge of £25,000 by Mr D. J. Watson. The company's share of the results from the joint venture loss amounted to £46,204 (1999 - £7,701).