

Company No: 1954109

AUDITORS REPORT TO THE DIRECTORS OF
HARPMANOR LIMITED IN ACCORDANCE WITH PARAGRAPH 10
OF SCHEDULE 8 OF THE COMPANIES ACT 1985

In our opinion the directors are entitled under Sections 247-249 of the Companies Act 1985 to deliver modified accounts in respect of the year ended 31st March 1990 and the modified accounts on pages 2 and 3 have been properly prepared in accordance with Schedule 8 of that Act.

On 12th November 1990 we reported as auditors of Harpmanor Limited to the members on the company's financial statements prepared under Section 227 of the Companies Act 1985 for the year ended 31st March 1990 and our audit opinion was as follows:-

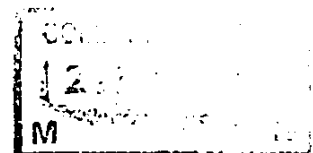
"We have audited the financial statements on pages 3 to 7 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st March 1990 and of its profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985".

Date: 12th November 1990

Smith Partnership

Chartered Accountants,
Midland Bank Chambers,
26 Cross Street,
Manchester, M2 1ND.



HARPMANOR LIMITEDMODIFIED BALANCE SHEET AS AT 31ST MARCH 1990

		<u>1990</u>	<u>1989</u>
	Notes	£	£
<u>CURRENT ASSETS</u>			
Investment Properties		150,988	14,725
Loan Debtors	2	1,444,239	1,840,600
Prepayments		10,000	10,000
Cash at Bank		2,914	-
Cash in Hand		2	2
		<u>1,608,143</u>	<u>1,865,327</u>
 <u>CREDITORS: Amounts falling due within twelve months</u>			
	3	1,372,119	1,710,981
<u>NET CURRENT ASSETS</u>		<u>236,024</u>	<u>154,346</u>
		=====	=====
 <u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	4	2	2
Profit & Loss Account		236,022	154,344
		<u>236,024</u>	<u>154,346</u>
		=====	=====

I have relied on Sections 247-249 of the Companies Act 1985 as entitling me to deliver modified accounts on the ground that the company is entitled to the benefit of those sections as a small company.

.....
A.J. Grant - Director

Date: 12th November 1990

HARPMANOR LIMITEDNOTES TO THE MODIFIED FINANCIAL STATEMENTSFOR THE YEAR ENDED 31ST MARCH 19901. ACCOUNTING POLICIESa) Basis of Accounting

The accounts have been prepared under the historical cost convention.

b) Turnover

Turnover represents revenue derived from the principal activities of the company. Interest received on money lending operations is accounted for evenly over the relevant period of the loans.

2. Loan Debtors includes £1,276,239 (1989 - £1,672,900) not recoverable until more than twelve months from the balance sheet date.

3. Included in creditors is £1,216,452 (1989 - £1,464,036) borrowed interest free from Blemain Finance Limited.

4. CALLED UP SHARE CAPITAL

	<u>1990</u>	<u>1989</u>
<u>Authorised</u>	£	£
Ordinary Shares of £1 Each	100	100
	===	===
<u>Allotted, Issued & Fully Paid</u>		
Ordinary Shares of £1 Each	2	2
	=	=