

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

In our opinion the director is entitled under Sections 247-249 of the Companies Act 1985 to deliver modified accounts in respect of the year ended 31st March 1988 and the modified accounts on pages 2 and 3 have been properly prepared in accordance with Schedule 8 of that Act.

On 14th February 1989, 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 1988 and our audit opinion was as follows:-

"We have audited the financial statements on pages 3 to 6. Our audit was conducted in accordance with approved Auditing Standards having regard to the matters referred to in the following paragraph.

In common with many businesses of similar size and organisation, the company's system of control is dependent upon the close involvement of the director, who is the major shareholder. Where independent confirmation of the completeness of the accounting records was therefore not available, we have accepted assurances from the director that all the company's transactions have been reflected in the records.

Subject to the foregoing, in our opinion the financial statements which have been prepared under the historical cost convention, give a true and fair view of the state of the company's affairs at 31st March 1988 and of its profit for the year then ended and comply with the Companies Act 1985."

Date: 14th February 1989

Smith Partnership

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



HARPMANOR LIMITEDMODIFIED BALANCE SHEET AS AT 31st MARCH 1988

	<u>Notes</u>	£	£
<u>CURRENT ASSETS</u>			
Loan Debtors		252,139	-
Cash at Bank		29	-
Cash in Hand		2	2
		<u>252,170</u>	<u>2</u>
<u>CREDITORS:</u> Amounts falling due within twelve months		247,014	-
<u>NET CURRENT ASSETS</u>		<u>5,156</u>	<u>2</u>
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	2	2	2
Profit & Loss Account		5,154	-
		<u>5,156</u>	<u>2</u>

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

.....*P. Pullman*..... Director

.....*M. Williams*..... Secretary

Date: 14th February 1989

HARPMANOR LIMITEDNOTES TO THE MODIFIED FINANCIAL STATEMENTSFOR THE YEAR ENDED 31st MARCH 19881. 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. CALLED UP SHARE CAPITAL

£

Authorised

Ordinary Shares of £1 Each

100Allotted, Issued & Fully Paid

Ordinary Shares of £1 Each

2