

**GOADSBY & HARDING
(HOLDINGS) LIMITED AND
ITS SUBSIDIARY
UNDERTAKINGS**

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2001



Company no 2446167

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2001

Company registration number: 2446167

Registered office: 99 Holdenhurst Road
Bournemouth
Dorset
BH8 8DY

Website: www.goadsby.co.uk

Directors: P Atfield (appointed 14 November 2000)
R D N Craven (appointed 14 November 2000)
D Errington
R Harcourt
C L Heighway (appointed 14 November 2000)
D N Huck (appointed 14 November 2000)
N Price (appointed 14 November 2000)
B P Read
E Robinson (appointed 14 November 2000)
J Sexton (resigned 30 June 2001)
P Talbot (appointed 14 November 2000)
J A Tofield

Secretary: D Errington

Auditors: Grant Thornton
Registered auditors
Chartered Accountants

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2001

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**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements for the year ended 30 June 2001.

Principal activities

The group is principally engaged in residential and commercial estate agency, surveying and related activities.

Review of the business

There was a profit for the year after taxation amounting to £291,348. The directors recommend dividends absorbing £105,000 leaving £186,348 retained.

Post balance sheet event

The company has agreed to acquire, shortly after the year end, 20,531 ordinary shares from News Communications & Media Plc.

Directors

The present membership of the Board is set out below. All directors served throughout the year. J Sexton retired from the Board on 30 June 2001.

The interests of the directors in the shares of the company, as at 1 July 2000, or date of their appointment if later, and 30 June 2001, were as follows:

	The Company Ordinary Shares	
	2001	2000
	£	£
P Atfield (appointed 14 November 2000)	8,058	8,058
R D N Craven (appointed 14 November 2000)	9,431	9,431
D Errington	16,695	16,935
R Harcourt	28,068	28,488
C L Heighway (appointed 14 November 2000)	8,982	8,982
D N Huck (appointed 14 November 2000)	8,982	8,982
N Price (appointed 14 November 2000)	6,752	6,752
B P Read	29,088	29,508
E Robinson (appointed 14 November 2000)	-	-
P Talbot (appointed 14 November 2000)	6,032	6,032
J A Tofield	31,588	32,008

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

REPORT OF THE DIRECTORS

Directors' responsibilities for the financial statements

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 the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then 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 maintaining proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Acquisition of company's own shares

During the year 20,531 shares of £1 each, representing 9.7% of the company's called up share capital, were acquired in order to rationalise the company's share capital. Full details are set out in the cashflow statement and the notes to the financial statements.

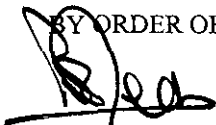
Charitable donations

During the year donations to charitable organisations amounted to £574 (2000: £2,986).

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD



B P READ
Chief Executive

27 September 2001

**REPORT OF THE AUDITORS TO THE MEMBERS OF
GOADSBY & HARDING (HOLDINGS) LIMITED**

We have audited the financial statements on pages 4 to 24 which have been prepared under the accounting policies set out on pages 4 and 5.

Respective responsibilities of directors and auditors

As described on page 2 the directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and accounting standards. 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence 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 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.

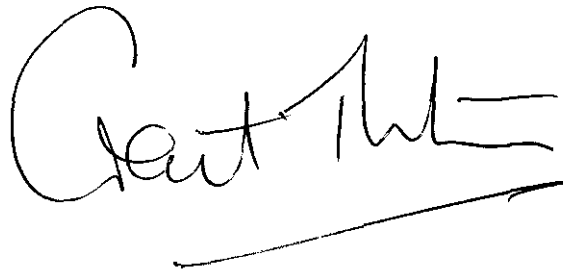
Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group at 30 June 2001 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

Poole

27 September 2001



GOADSBY & HARDING (HOLDINGS) LIMITED AND ITS SUBSIDIARY UNDERTAKINGS

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention, except that certain freehold properties have been included at their revalued amounts.

The principal accounting policies of the group have remained unchanged from the previous year and are set out below.

BASIS OF CONSOLIDATION

The group financial statements consolidate the financial statements of the company and of its subsidiary undertakings (see note 9) drawn up to 30 June 2001. All intra-group profits or losses are eliminated on consolidation.

TURNOVER

Turnover comprises commission and fees receivable, exclusive of Value Added Tax. Commissions on sales of residential and commercial properties are recognised as earned when the contract for sale is exchanged, provided that thereafter the contract is, or is expected to be, completed. Other commissions are accounted for mainly on a cash received basis. Fees for other professional services are recognised when they become due and payable.

GOODWILL

Purchased goodwill and goodwill arising on consolidation is capitalised and amortised over its expected useful life of 20 years. Following the introduction of FRS 10 there has been no reinstatement of goodwill previously credited to or written off against reserves.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Depreciation is calculated to write down the cost or valuation of tangible fixed assets over their expected useful lives.

The rates generally applicable are:

Asset	Method	Rate
Freehold properties	Straight line	2% per annum
Long leaseholds	Straight line	2% per annum
Short leaseholds and leasehold improvements	Straight line	Period of lease
Fixtures, furniture and equipment	Straight line	10% per annum
Computers	Straight line	20% per annum
Motor vehicles	Reducing balance	25% per annum
Equipment on finance leases	Straight line	Over the life of the lease

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

PRINCIPAL ACCOUNTING POLICIES

LEASED ASSETS

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

INVESTMENTS

Investments in subsidiaries are included at cost.

DEFERRED TAXATION

Deferred tax is provided for using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

CONTRIBUTIONS TO PENSION FUNDS

Defined contribution schemes

The pension costs charged against profits represent the amount of the contributions payable to the schemes in respect of the accounting period.

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2001

	Note	2001 £	2001 £	2000 £	2000 £
Turnover	1		7,458,933		7,083,008
Other operating income	1		150,221		93,572
			<u>7,609,154</u>		<u>7,176,580</u>
Staff costs	3	(4,196,430)		(3,797,145)	
Depreciation		(336,485)		(356,492)	
Other operating charges		<u>(2,387,047)</u>		<u>(2,531,476)</u>	
			<u>(6,919,962)</u>		<u>(6,685,113)</u>
Trading profit before amortisation of goodwill			689,192		491,467
Amortisation of goodwill	7		(68,895)		(68,896)
Operating profit			<u>620,297</u>		<u>422,571</u>
Net interest	2		<u>(144,729)</u>		<u>(52,378)</u>
Profit on ordinary activities before taxation	1		475,568		370,193
Tax on profit on ordinary activities	4		<u>(184,220)</u>		<u>(37,832)</u>
Profit for the financial year	5		291,348		332,361
Dividends	6		(105,000)		(105,000)
Transfer to reserves	15		<u>186,348</u>		<u>227,361</u>

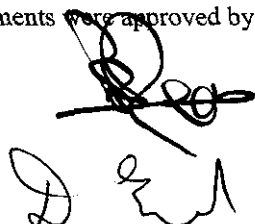
The accompanying accounting policies and notes form an integral part of these financial statements.

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

CONSOLIDATED BALANCE SHEET AT 30 JUNE 2001

	Note	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Intangible assets	7		620,386		689,281
Tangible assets	8		3,462,428		2,706,960
			<u>4,082,814</u>		<u>3,396,241</u>
Current assets					
Debtors	10	1,751,468		1,301,064	
Cash at bank and in hand		198,710		321,377	
		<u>1,950,178</u>		<u>1,622,441</u>	
Creditors: amounts falling due within one year	11	<u>(2,855,239)</u>		<u>(2,131,841)</u>	
Net current liabilities			(905,061)		(509,400)
Total assets less current liabilities			<u>3,177,753</u>		<u>2,886,841</u>
Creditors: amounts falling due after more than one year	12		(2,088,820)		(1,838,388)
Provisions for liabilities and charges	13		(67,665)		(14,382)
			<u>1,021,268</u>		<u>1,034,071</u>
Capital and reserves					
Called up share capital	14		191,890		212,421
Share premium account	15		368,644		368,644
Capital redemption reserve	15		80,832		60,301
Revaluation reserve	15		66,710		66,710
Profit and loss account	15		313,192		325,995
Shareholders' funds	16		<u>1,021,268</u>		<u>1,034,071</u>

The financial statements were approved by the Board of Directors on 27 September 2001.



B P READ

D ERRINGTON

Directors

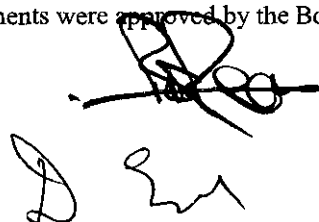
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**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

COMPANY BALANCE SHEET AT 30 JUNE 2001

	Note	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Tangible assets	8		1		1
Investments	9		3,731,569		3,731,569
			<u>3,731,570</u>		<u>3,731,570</u>
Current assets					
Debtors	10	436,888		480,548	
Cash at bank and in hand		50,851		7,266	
		<u>487,739</u>		<u>487,814</u>	
Creditors: amounts falling due within one year	11	<u>(145,586)</u>		<u>(129,984)</u>	
Net current assets			342,153		357,830
Total assets less current liabilities			<u>4,073,723</u>		<u>4,089,400</u>
Creditors: amounts falling due after more than one year	12		(1,709,209)		(1,734,888)
			<u>2,364,514</u>		<u>2,354,512</u>
Capital and reserves					
Called up share capital	14		191,890		212,421
Share premium account	15		368,644		368,644
Capital redemption reserve	15		80,832		60,301
Profit and loss account	15		1,723,148		1,713,146
Shareholders' funds			<u>2,364,514</u>		<u>2,354,512</u>

The financial statements were approved by the Board of Directors on 27 September 2001.



B P READ

D ERRINGTON

Directors

The accompanying accounting policies and notes form an integral part of these financial statements.

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2001

	Note	2001 £	2001 £	2000 £	2000 £
Net cash inflow from operating activities	17		880,726		737,876
Returns on investments and servicing of finance					
Interest received		37,517		35,771	
Interest paid		(142,854)		(64,867)	
Finance lease interest paid		(34,401)		(21,647)	
Net cash outflow from returns on investments and servicing of finance			(139,738)		(50,743)
Taxation			(29,934)		78,519
Capital expenditure					
Purchase of tangible fixed assets		(753,926)		(1,465,713)	
Sale of tangible fixed assets		9,550		16,051	
Net cash outflow from capital expenditure			(744,376)		(1,449,662)
Acquisitions					
Purchase of unincorporated business: goodwill			-		1,000
Equity dividends paid			(105,002)		(102,492)
Financing					
Issue of shares		-		17,063	
Purchase of own shares		(199,151)		(43,630)	
Property loan		305,000		1,009,041	
Receipt from borrowing		-		475,000	
Repayment of borrowing		(61,093)		(498,407)	
Net capital element of finance lease rentals		(251,671)		(129,124)	
Net cash (outflow)/inflow from financing			(206,915)		829,943
(Decrease)/increase in cash	18		(345,239)		44,441

The accompanying accounting policies and notes form an integral part of these financial statements.

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 30 JUNE 2001

	2001	2000
	£	£
Profit for the financial year	291,348	332,361
Unrealised surplus on revaluation of freehold properties	-	66,710
Total gains and losses recognised since last financial statements	<u>291,348</u>	<u>399,071</u>

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2001

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Turnover is attributable to residential and commercial estate agency, surveying and related activities.

The profit on ordinary activities is stated after:

	2001 £	2000 £
Auditors' remuneration	22,000	20,500
Depreciation and amortisation:		
Goodwill	68,895	68,896
Tangible fixed assets, owned	190,291	243,189
Tangible fixed assets, held under finance leases	146,194	113,303
Loss/(profit) on disposal of tangible fixed assets	514	(1,348)
Operating lease rentals	229,848	200,475
	<u>150,221</u>	<u>93,972</u>
Other operating income includes:		
Rents receivable (net)	<u>150,221</u>	<u>93,972</u>

2 NET INTEREST

	2001 £	2000 £
On bank loans and overdrafts	150,680	69,090
Finance charges in respect of finance leases	34,401	21,647
	<u>185,081</u>	<u>90,737</u>
Other interest receivable and similar income	(40,352)	(38,359)
	<u>144,729</u>	<u>52,378</u>

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2001

3 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2001 £	2000 £
Wages and salaries	3,764,196	3,375,173
Social security costs	384,293	336,190
Other pension costs	47,941	85,782
	<u>4,196,430</u>	<u>3,797,145</u>

The average number of employees of the group during the year was 245 (2000: 247).

The number of full time equivalent employees during the year was 175 (2000: 177).

Remuneration in respect of directors was as follows:

	2001 £	2000 £
Management remuneration	894,526	920,158
Pension contributions to money purchase pension schemes	32,209	74,620
	<u>926,735</u>	<u>994,778</u>

During the year 10 directors (2000: 4 directors) participated in money purchase pension schemes.

The amounts set out above include remuneration in respect of the highest paid director as follows:

	2001 £	2000 £
Emoluments	98,287	107,826
Pension contributions to money purchase pension schemes	<u>8,136</u>	<u>6,990</u>

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2001

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

The taxation charge represents:

	2001 £	2000 £
Corporation tax at 30% (2000: 30%)	126,000	146,000
Deferred tax (note 13)	53,283	6,584
	<u>179,283</u>	<u>152,584</u>
Adjustments for prior year:		
Corporation tax	4,937	(117,335)
Deferred tax (note 13)	-	2,583
	<u>184,220</u>	<u>37,832</u>

5 PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION

The company has taken advantage of section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The group for the year includes a profit of £314,153 (2000: £844,264), including dividends from subsidiary companies of £330,000 (2000: £870,000) which is dealt with in the financial statements of the company.

6 DIVIDENDS

	2001 £	2000 £
Ordinary shares - proposed final dividend of 61.27p per share in issue at 5 October 2001 (2000: 54.72p)	<u>105,000</u>	<u>105,000</u>

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2001

7 INTANGIBLE FIXED ASSETS

	Goodwill £
The Group	
Cost	
At 1 July 2000 and 30 June 2001	<u>1,376,855</u>
Amounts written off	
At 1 July 2000	687,574
Provided in the year	68,895
At 30 June 2001	<u>756,469</u>
Net book amount at 30 June 2001	<u>620,386</u>
Net book amount at 30 June 2000	<u>689,281</u>

Goodwill included above relates to the following:

	Goodwill at original cost £
Goodwill on consolidation relating to acquisition of Goadsby & Harding (Residential) Limited (formerly Goadsby & Harding Limited)	1,324,749
Purchased goodwill arising on acquisition of unincorporated business	<u>52,106</u> <u>1,376,855</u>

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2001

8

TANGIBLE FIXED ASSETS

The Group	Total £	Motor vehicles £	Fixtures, furniture and equipment £	Short leaseholds and leasehold improvements £	Long leaseholds £	Freehold properties £
Cost or valuation						
At 1 July 2000	4,727,430	1,015,976	1,733,930	163,960	2,019	1,811,545
Additions	1,102,177	88,900	597,373	92,137	-	323,767
	5,829,607	1,104,876	2,331,303	256,097	2,019	2,135,312
Disposals	(65,419)	(62,489)	(2,930)	-	-	-
At 30 June 2001	5,764,188	1,042,387	2,328,373	256,097	2,019	2,135,312
Depreciation						
At 1 July 2000	2,020,470	615,682	1,258,338	130,622	607	15,221
Provided in the year	336,485	120,487	154,602	18,650	40	42,706
	2,356,955	736,169	1,412,940	149,272	647	57,927
Eliminated on disposals	(55,195)	(55,195)	-	-	-	-
At 30 June 2001	2,301,760	680,974	1,412,940	149,272	647	57,927
Net book amount at 30 June 2001	3,462,428	361,413	915,433	106,825	1,372	2,077,385
Net book amount at 30 June 2000	2,706,960	400,294	475,592	33,338	1,412	1,796,324

During the year the directors undertook a review of the carrying value of fixed assets. It was noted that some assets had been depreciated in excess of their original cost. Accordingly, this excess depreciation of £60,000 has been written back to fixed assets and credited to the profit and loss account for the year.

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2001

8 TANGIBLE FIXED ASSETS (CONTINUED)

The figures stated above include assets held under finance leases as follows:

	Group Equipment £	Motor vehicles £
Net book amount at 30 June 2001	<u>355,148</u>	<u>218,099</u>
Net book amount at 30 June 2000	<u>128,453</u>	<u>239,946</u>
Depreciation provided in the year	<u>73,487</u>	<u>72,707</u>

The figures stated above for cost or valuation include a valuation as follows

	Group Freehold properties 2001 £	2000 £
At cost	1,542,836	1,219,069
At valuation: 22 July 1999	<u>592,476</u>	<u>592,476</u>
	<u>2,135,312</u>	<u>1,811,545</u>

Freehold properties were revalued on 22 July 1999 by Goadsby & Harding (Survey & Valuation) Limited, resulting in a surplus of £66,710 being transferred to a revaluation reserve.

If the freehold properties had not been revalued, they would have been included on the historical cost basis at the following amounts:

	£
Cost	2,150,017
Accumulated depreciation	<u>139,912</u>
Net book amount at 30 June 2001	<u>2,010,105</u>
Net book amount at 30 June 2000	<u>1,729,338</u>

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2001

8 TANGIBLE FIXED ASSETS (CONTINUED)

The Company

	Fixtures, fittings and equipment £
Cost	
At 1 July 2000 and at 30 June 2001	<u>2,056</u>
Depreciation	
At 1 July 2000 and at 30 June 2001	<u>2,055</u>
Net book amount	
At 30 June 2001 and at 30 June 2000	<u>1</u>

9 FIXED ASSET INVESTMENTS

The company

	Shares in group undertakings £
Cost	
At 1 July 2000 and at 30 June 2001	<u>3,731,569</u>

At 30 June 2001 the company had interests in the following group undertakings:

Name of group undertaking	Class of share capital held	Proportion held	Nature of business
Goadsby & Harding (Residential) Limited (formerly Goadsby & Harding Limited)	Ordinary	100%	Estate agents, surveyors and valuers
Goadsby & Harding (Survey & Valuation) Limited	Ordinary	100%	Valuers
St Peters Limited	Ordinary	100%	Property investment

**GOADSBY & HARDING (HOLDINGS) LIMITED
AND ITS SUBSIDIARY UNDERTAKINGS**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2001

10 DEBTORS

	The Group 2001 £	The Group 2000 £	The Company 2001 £	The Company 2000 £
Amounts falling due within one year:				
Trade debtors	1,442,334	1,016,880	-	-
Amounts owed by group undertakings	-	-	435,836	479,496
Other debtors	49,180	17,315	1,052	1,052
Prepayments and accrued income	259,954	266,869	-	-
	<u>1,751,468</u>	<u>1,301,064</u>	<u>436,888</u>	<u>480,548</u>

11 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group 2001 £	The Group 2000 £	The Company 2001 £	The Company 2000 £
Bank loans and overdrafts (see note 12)	337,970	66,423	35,583	20,004
Trade creditors	534,254	466,840	-	-
Current corporation tax	276,937	175,934	-	-
Social security and other taxes	465,126	324,062	-	-
Proposed dividends	108,780	108,782	108,780	108,782
Other creditors	125,675	167,708	318	321
Accruals	792,505	649,180	905	877
Amounts due under finance leases	213,992	172,912	-	-
	<u>2,855,239</u>	<u>2,131,841</u>	<u>145,586</u>	<u>129,984</u>

12 CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The Group 2001 £	The Group 2000 £	The Company 2001 £	The Company 2000 £
Bank loans	1,910,035	1,715,103	259,209	284,888
Loan from subsidiary undertaking	-	-	1,450,000	1,450,000
Amounts due under finance leases	178,785	123,285	-	-
	<u>2,088,820</u>	<u>1,838,388</u>	<u>1,709,209</u>	<u>1,734,888</u>

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FOR THE YEAR ENDED 30 JUNE 2001

12 CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (CONTINUED)

Borrowings are repayable as follows:

	The Group 2001 £	The Group 2000 £	The Company 2001 £	The Company 2000 £
Within one year				
Bank loans and overdrafts	337,970	66,423	35,583	20,004
Finance leases	213,992	172,912	-	-
After one and within two years				
Bank loans	111,865	71,584	26,733	21,568
Finance leases	147,224	94,791	-	-
After two and within five years				
Bank loans	382,076	249,883	91,127	75,362
Finance leases	31,561	28,494	-	-
After five years				
Bank loans	1,416,094	1,393,636	141,349	187,958
Loans from group undertakings	-	-	1,450,000	1,450,000
	<u>2,640,782</u>	<u>2,077,723</u>	<u>1,744,792</u>	<u>1,754,892</u>

The bank facilities are secured by fixed charges over the group's freehold properties. There are also floating charges over some of the assets of these companies and unlimited cross-guarantees between the company and certain of its subsidiary undertakings.

Bank loans totalling £294,792 and £1,730,641 are repayable by instalments expiring in 2010 and 2013-2016 respectively and interest is charged at fluctuating market rates.

The loan from the subsidiary undertaking of £1,450,000 is repayable otherwise than by instalments and is interest free. It is repayable upon the joint agreement of Goadsby & Harding (Holdings) Limited and Goadsby & Harding (Residential) Limited (formerly Goadsby & Harding Limited) and it is not intended that the loan will be repayable within five years.

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13 PROVISION FOR LIABILITIES AND CHARGES - DEFERRED TAXATION

The movements in the deferred taxation provision in the financial statements are set out below:

	The Group 2001 £	The Group 2000 £	The Company 2001 £	The Company 2000 £
Accelerated capital allowances	83,065	29,974	-	-
Other timing differences	(15,400)	(15,592)	-	-
	<u>67,665</u>	<u>14,382</u>	<u>-</u>	<u>-</u>
At 1 July 2000	14,382	5,215	-	-
Transfer to profit and loss account	53,283	9,167	-	-
At 30 June 2001	<u>67,665</u>	<u>14,382</u>	<u>-</u>	<u>-</u>

14 SHARE CAPITAL

	2001 £	2000 £
Authorised		
1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
191,890 (2000: 212,421) ordinary shares of £1 each	<u>191,890</u>	<u>212,421</u>

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FOR THE YEAR ENDED 30 JUNE 2001

15 SHARE PREMIUM ACCOUNT AND RESERVES

The Group

	Share Premium Account £	Capital Redemption Reserve £	Revaluation Reserve £	Profit & Loss Account £
At 1 July 2000	368,644	60,301	66,710	325,995
Retained profit for the year	-	-	-	186,348
Purchase of own shares	-	20,531	-	(199,151)
At June 2001	<u>368,644</u>	<u>80,832</u>	<u>66,710</u>	<u>313,192</u>

The Company

	Share Premium Account £	Capital Redemption Reserve £	Revaluation Reserve £	Profit & Loss Account £
At 1 July 2000	368,644	60,301	-	1,713,146
Retained profit for the year	-	-	-	209,153
Purchase of own shares	-	20,531	-	(199,151)
At June 2001	<u>368,644</u>	<u>80,832</u>	<u>-</u>	<u>1,723,148</u>

The cumulative amount of goodwill arising from acquisitions, which has been written off to group reserves, is £76,921 (2000: £76,921).

The balances on the share premium account, the capital redemption reserve and the revaluation reserve may not be legally distributed under Section 263 of the Companies Act 1985.

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FOR THE YEAR ENDED 30 JUNE 2001

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit for the financial year	291,348	332,361
Dividends	(105,000)	(105,000)
	<u>186,348</u>	<u>227,361</u>
Surplus on revaluation of assets	-	66,710
Purchase of own shares	(199,151)	(43,630)
Issue of shares	-	17,063
Net (decrease)/increase in shareholders' funds	<u>(12,803)</u>	<u>267,504</u>
Shareholders' funds at 1 July 2000	1,034,071	766,567
Shareholders' funds at 30 June 2001	<u>1,021,268</u>	<u>1,034,071</u>

17 NET CASH INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating profit	620,297	422,571
Depreciation	336,485	356,492
Amortisation of goodwill	68,895	68,896
Loss/(profit) on sale of fixed assets	514	(1,348)
Increase in debtors	(447,409)	(197,851)
Increase in creditors	301,944	89,116
Net cash inflow from operating activities	<u>880,726</u>	<u>737,876</u>

18 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2001 £	2000 £
(Decrease)/increase in cash in the year	(345,239)	44,441
Cash inflow from financing	(243,907)	(985,634)
Cash outflow from finance leases	251,671	129,124
Change in net debt resulting from cash flows	<u>(337,475)</u>	<u>(812,069)</u>
Inception of finance leases	(348,251)	(231,878)
Movement in net debt in the year	<u>(685,726)</u>	<u>(1,043,947)</u>
Net debt at 1 July 2000	(1,756,346)	(712,399)
Net debt at 30 June 2001	<u>(2,442,072)</u>	<u>(1,756,346)</u>

**GOADSBY & HARDING (HOLDINGS) LIMITED
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19 ANALYSIS OF CHANGES IN NET DEBT

	At 1 July 2000 £	Cash flow £	Non-cash items £	At 30 June 2001 £
Cash at bank and in hand	321,377	(122,667)	-	198,710
Overdrafts	-	(222,572)	-	(222,572)
	<u>321,377</u>	<u>(345,239)</u>	<u>-</u>	<u>(23,862)</u>
Debt due within one year	(66,423)	(48,975)	-	(115,398)
Debt due after more than one year	(1,715,103)	(194,932)	-	(1,910,035)
Finance leases	(296,197)	251,671	(348,251)	(392,777)
	<u>(1,756,346)</u>	<u>(337,475)</u>	<u>(348,251)</u>	<u>(2,442,072)</u>

20 CAPITAL COMMITMENTS

	The Group 2001 £	The Group 2000 £	The Company 2001 £	The Company 2000 £
Contracted for but not provided in these financial statements	<u>25,000</u>	<u>360,000</u>	<u>-</u>	<u>-</u>

21 CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2001 or 30 June 2000.

22 PENSION COMMITMENTS

The group operated a number of defined contribution pension schemes designed to provide retirement benefits for its directors and employees. The assets of the schemes are held separately from those in the company in independently administered funds. Contributions totalling £nil (2000: £70,495) were payable to the funds at the year end and are included in creditors.

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23 OPERATING LEASE COMMITMENTS

The group has operating lease payments amounting to £178,575 (2000: £200,575) which are due within one year. The leases to which these amounts relate expire as follows:

	2001	2000
	Land and	Land and
	buildings	buildings
	£	£
In one year or less	11,375	28,575
Between one and five years	65,000	82,000
In five years or more	102,200	90,000
	<u>178,575</u>	<u>200,575</u>

24 POST BALANCE SHEET EVENTS

The company has agreed to acquire, shortly after the year end, 20,531 ordinary shares from News Communications & Media Plc.