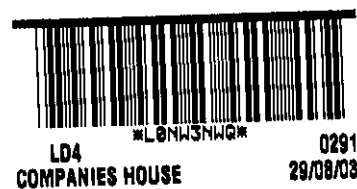


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**LAIRD STRATEGIC LIMITED**

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for the Year Ended 31 October 2001**

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**LAIRD STRATEGIC LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 31 October 2001**

**DIRECTORS:**

R M Britten-Long  
A Van Praagh  
J Cohen  
D R Curtis

**SECRETARY:**

D R Curtis

**REGISTERED OFFICE:**

Treasure House  
19-21 Hatton Garden  
London  
EC1N 8LF

**REGISTERED NUMBER:**

03227646 (England and Wales)

**AUDITORS:**

Levy Blair  
Chartered Accountants  
Registered Auditors  
London  
EC1N 8LF

## **LAIRD STRATEGIC LIMITED**

### **REPORT OF THE DIRECTORS for the Year Ended 31 October 2001**

The directors present their report with the financial statements of the company for the year ended 31 October 2001.

#### **PRINCIPAL ACTIVITIES**

The principal activities of the company in the year under review were those of arranging venture capital finance and strategic investments. The principal activity of the company's subsidiaries was that of:

- (i) Dealing in listed and unlisted investments;
- (ii) Arrange mortgage finance for investment properties;
- (iii) Trading in unquoted securities.

#### **REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

The directors are disappointed with the results for the year but they consider that if the current asset investments were realised at their present value, the surplus would eliminate the deficit on profit and loss account.

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 October 2001.

#### **DIRECTORS**

The directors during the year under review were:

R M Britten-Long  
A Van Praagh  
J Cohen  
D R Curtis

The directors holding office at 31 October 2001 did not hold any beneficial interest in the issued share capital of the company at 1 November 2000 or 31 October 2001.

Mr. R M Britten-Long and Mr. A Van Praagh have beneficial interests in the issued share capital of the joint parent companies.

#### **COMPANY'S POLICY ON PAYMENT OF CREDITORS**

It is the company's policy to settle the terms of payment with suppliers when agreeing the terms of the transaction, to ensure that suppliers are aware of these terms and to abide by them.

There were no trade creditors at the period end.

#### **CHARITABLE DONATIONS**

Charitable donations of nil (2000: £17,000) were made during the year.

#### **STATEMENT OF 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 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

- 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 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.

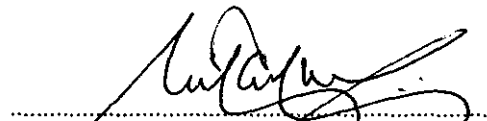
**LAIRD STRATEGIC LIMITED**

**REPORT OF THE DIRECTORS  
for the Year Ended 31 October 2001**

**AUDITORS**

The auditors, Levy Blair, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

  
.....  
R M Britten-Long - Director

Date: 29 August 2003

## **LAIRD STRATEGIC LIMITED**

### **REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF LAIRD STRATEGIC LIMITED**

We have audited the financial statements of Laird Strategic Limited for the year ended 31 October 2001 on pages five to seventeen. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit 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 company's 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.

#### **Fundamental uncertainty**

As shown in note 1, the financial statements have been prepared on a going concern basis. The validity of which depends upon future cash flows. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

#### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 October 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Levy Blair  
Chartered Accountants  
Registered Auditors  
London  
EC1N 8LF

Date: 29 August 2003

**LAIRD STRATEGIC LIMITED**

**GROUP PROFIT AND LOSS ACCOUNT**  
for the Year Ended 31 October 2001

		<u>2001</u>	<u>2000</u>
	Notes	£	£
<b>TURNOVER</b>	2	149,374	489,440
Administrative expenses		<u>524,670</u>	<u>473,529</u>
<b>OPERATING (LOSS)/PROFIT</b>	3	(375,296)	15,911
Interest receivable and similar income		<u>10,469</u>	<u>3,723</u>
		(364,827)	19,634
Amounts written off investments	4	<u>-</u>	<u>7,062</u>
		(364,827)	12,572
Interest payable and similar charges	5	<u>104,168</u>	<u>117,636</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(468,995)	(105,064)
Tax on loss on ordinary activities	6	<u>-</u>	<u>(2,901)</u>
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(468,995)	(102,163)
Minority interest		<u>(8,070)</u>	<u>(2,962)</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		(477,065)	(105,125)
Deficit brought forward		<u>(112,926)</u>	<u>(7,801)</u>
<b>DEFICIT CARRIED FORWARD</b>		<u>£(589,991)</u>	<u>£(112,926)</u>

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognized gains and losses other than the loss for the current year and the previous year.

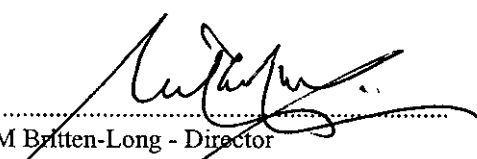
**LAIRD STRATEGIC LIMITED**

**GROUP BALANCE SHEET**

**31 October 2001**

		2001		2000	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Investments	7		304		304
<b>CURRENT ASSETS:</b>					
Debtors	8	988,834		1,021,871	
Investments	9	1,061,955		945,907	
Cash at bank		<u>594</u>		<u>22,223</u>	
		2,051,383		1,990,001	
<b>CREDITORS: Amounts falling due within one year</b>	10	<u>2,347,991</u>		<u>1,817,614</u>	
<b>NET CURRENT (LIABILITIES)/ASSETS:</b>			<u>(296,608)</u>		<u>172,387</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			(296,304)		172,691
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	13		<u>46,911</u>		<u>38,841</u>
			<u>£(343,215)</u>		<u>£133,850</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	14		2		2
Capital reserve	16		246,774		246,774
Profit and loss account			<u>(589,991)</u>		<u>(112,926)</u>
<b>SHAREHOLDERS' FUNDS:</b>	19		<u>£(343,215)</u>		<u>£133,850</u>

**ON BEHALF OF THE BOARD:**

  
 .....  
 R M Britten-Long - Director

Approved by the Board on 29 August 2003



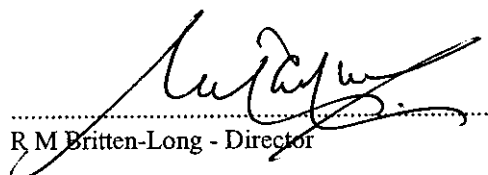
**LAIRD STRATEGIC LIMITED**

**COMPANY BALANCE SHEET**

**31 October 2001**

	Notes	2001		2000	
		£	£	£	£
<b>FIXED ASSETS:</b>					
Investments	7		1,044,344		864,747
<b>CURRENT ASSETS:</b>					
Debtors	8	988,568		1,018,443	
Investments	9	479,698		608,950	
Cash at bank		<u>578</u>		<u>13,980</u>	
		1,468,844		1,641,373	
<b>CREDITORS:</b> Amounts falling due within one year	10	<u>2,856,403</u>		<u>2,372,270</u>	
<b>NET CURRENT LIABILITIES:</b>			<u>(1,387,559)</u>		<u>(730,897)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>£(343,215)</u>		<u>£133,850</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	14		2		2
Revaluation reserve	15		514,016		334,419
Profit and loss account			<u>(857,233)</u>		<u>(200,571)</u>
<b>SHAREHOLDERS' FUNDS:</b>	19		<u>£(343,215)</u>		<u>£133,850</u>

**ON BEHALF OF THE BOARD:**

  
 .....  
 R M Britten-Long - Director

Approved by the Board on 29 August 2003

**LAIRD STRATEGIC LIMITED**

**GROUP CASH FLOW STATEMENT  
for the Year Ended 31 October 2001**

		<u>2001</u>		<u>2000</u>	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		84,303		185,031
Returns on investments and servicing of finance	2		(93,699)		(113,913)
Taxation			-		(2,974)
Capital expenditure	2		-		17,520
Acquisitions and disposals	2		-		(304)
			(9,396)		85,360
Management of liquid resources	2		-		-
Financing	2		-		(89,457)
Increase/(Decrease) in cash in the period			<u>£(9,396)</u>		<u>£(4,097)</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Increase/(Decrease) in cash in the period			(9,396)		(4,097)
Cash outflow from decrease in debt and lease financing			-		8,171
Change in net funds resulting from cash flows			<u>(9,396)</u>		<u>4,074</u>
Movement in net funds in the period			(9,396)		4,074
Net funds at 1 November			<u>9,093</u>		<u>5,019</u>
Net funds at 31 October			<u>£(303)</u>		<u>£9,093</u>

The notes form part of these financial statements

**LAIRD STRATEGIC LIMITED**

**NOTES TO THE GROUP CASH FLOW STATEMENT**  
for the Year Ended 31 October 2001

**1. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2001 £	2000 £
Operating (loss)/profit	(375,296)	15,911
Loss on disposal of subsidiary	-	(7,062)
(Increase)/Decrease in investments	(116,048)	(137,754)
(Increase)/Decrease in stocks	-	8,737
Increase/(Decrease) in debtors	33,037	319,536
Increase/(Decrease) in creditors	<u>542,610</u>	<u>(14,337)</u>
<b>Net cash inflow from operating activities</b>	<u><u>84,303</u></u>	<u><u>185,031</u></u>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2001 £	2000 £
<b>Returns on investments and servicing of finance</b>		
Interest received	10,469	3,723
Interest paid	<u>(104,168)</u>	<u>(117,636)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>	<u><u>(93,699)</u></u>	<u><u>(113,913)</u></u>
<b>Capital expenditure</b>		
Sale of tangible fixed assets	<u>-</u>	<u>17,520</u>
<b>Net cash inflow for capital expenditure</b>	<u><u>-</u></u>	<u><u>17,520</u></u>
<b>Acquisitions and disposals</b>		
Investment in subsidiaries	<u>-</u>	<u>(304)</u>
<b>Net cash inflow for acquisitions and disposals</b>	<u><u>-</u></u>	<u><u>(304)</u></u>
<b>Management of liquid resources</b>		
Cash payments - Investment purchases	-	-
Cash receipts - Investment sales	<u>-</u>	<u>-</u>
<b>Net cash outflow from management of liquid resources</b>	<u><u>-</u></u>	<u><u>-</u></u>

**LAIRD STRATEGIC LIMITED**

**NOTES TO THE GROUP CASH FLOW STATEMENT  
for the Year Ended 31 October 2001**

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT - continued**

	2001 £	2000 £
<b>Financing</b>		
Loan repayments in year	-	(89,457)
Net cash outflow from financing	-	(89,457)

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.11.00 £	Cash flow £	At 31.10.01 £
Net cash:			
Cash at bank and in hand	22,223	(21,629)	594
Bank overdrafts	(13,130)	12,233	(897)
	<u>9,093</u>	<u>(9,396)</u>	<u>(303)</u>
 Total	 <u>9,093</u>	 <u>(9,396)</u>	 <u>(303)</u>

**Analysed in Balance Sheet**

Cash at bank and in hand	22,223	594
Bank overdrafts	(13,130)	(897)
	<u>9,093</u>	<u>(303)</u>

## **LAIRD STRATEGIC LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 October 2001**

#### **1. ACCOUNTING POLICIES**

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and are in accordance with applicable accounting standards.

##### **Going concern**

The financial statements have been prepared on a going concern basis, the validity of which depends on future cash flows. The directors consider that will be sufficient because in their opinion, the surplus value over the cost of current asset investments would eliminate the deficit on profit and loss account. Furthermore, the bank loans are secured by legal charges over properties owned by related companies.

##### **Turnover**

Turnover represents net gains on investments, interest receivable on loans and income from investments.

##### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

##### **Basis of consolidation**

The group financial statements consolidate the accounts of Laird Strategic Limited and Albemarle Trust Plc. They do not include the accounts of Laird Finance and Resources Limited or Esherlane No. 2 Limited as the directors do not consider it appropriate. These companies were acquired on 1 September 2000 for a cost of £1 each and they are included in fixed asset investments at this cost.

Resulting mainly from pre-acquisition transactions Laird Finance and Resources Limited was in deficit of £570,449 and Esherlane No. 2 Limited was in surplus of £12,061 at the balance sheet date. The surplus has effectively been lent to and the deficit financed by, the companies within the former parent group.

Turnover and profits arising on trading between group companies are excluded.

##### **Investments**

The company's investments in subsidiaries are revalued to reflect the underlying net assets of the subsidiaries. Current asset investments are valued at the lower of cost and net realisable value on a portfolio basis.

#### **2. TURNOVER**

The turnover and loss before taxation are attributable to the principal activities of the company.

An analysis of turnover is given below:

	2001	2000
	£	£
Net gains on investments	135,368	322,933
Interest receivable	12,023	165,542
Investment income	<u>1,983</u>	<u>965</u>
	<u>149,374</u>	<u>489,440</u>

**LAIRD STRATEGIC LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 October 2001

**3. OPERATING (LOSS)/PROFIT**

The operating loss (2000 - operating profit) is stated after charging:

	2001 £	2000 £
Auditors' remuneration	<u>10,450</u>	<u>20,017</u>
Directors' emoluments	<u>-</u>	<u>-</u>

**4. AMOUNTS WRITTEN OFF INVESTMENTS**

	2001 £	2000 £
Loss on disposal of subsidiary	<u>-</u>	<u>7,062</u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2001 £	2000 £
Bank interest	68	5,727
Bank loan interest	103,974	110,772
Other interest	<u>126</u>	<u>1,137</u>
	<u>104,168</u>	<u>117,636</u>

**6. TAXATION**

**Analysis of the tax credit**

The tax credit on the loss on ordinary activities for the year was as follows:

	2001 £	2000 £
Current tax:		
Overprovision in prior years	<u>-</u>	<u>(2,901)</u>
Tax on loss on ordinary activities	<u>-</u>	<u>(2,901)</u>

**7. FIXED ASSET INVESTMENTS**

	£
<b>COST:</b>	
At 1 November 2000	
and 31 October 2001	<u>304</u>
<b>NET BOOK VALUE:</b>	
At 31 October 2001	<u>304</u>
At 31 October 2000	<u>304</u>

**LAIRD STRATEGIC LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 October 2001**

**7. FIXED ASSET INVESTMENTS - continued**

	<b>Group</b>		<b>Company</b>	
	2001	2000	2001	2000
	£	£	£	£
Unlisted investments	<u>304</u>	<u>304</u>	<u>1,044,344</u>	<u>864,747</u>

The principal subsidiary undertaking is Albemarle Trust Plc which deals in listed and unlisted investments and in which the company has a holding 95.7%.

The company's other investments at the balance sheet date in the share capital of unlisted companies include the following:

**Laird Finance And Resources Limited**

Nature of business: Arrange mortgage finance for investment properties

	% holding
Class of shares:	
Ordinary	100.00

	2001	2000
	£	£
Aggregate capital and reserves	(570,449)	(561,098)
Loss for the year	<u>(9,331)</u>	<u>(203,121)</u>

**Esherlane No.2 Limited**

Nature of business: Trading in unquoted securities

	% holding
Class of shares:	
Ordinary	100.00

	2001	2000
	£	£
Aggregate capital and reserves	12,061	58,735
(Loss)/Profit for the year	<u>(615)</u>	<u>7,781</u>

**8. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2001	2000	2001	2000
	£	£	£	£
Other debtors	578	4,887	577	1,459
Loans	549,677	473,967	549,677	473,967
Prepayments & accrued income	9,754	370,209	9,754	370,209
Related party balances	371,032	163,808	371,032	163,808
Group company balances	<u>57,793</u>	<u>9,000</u>	<u>57,528</u>	<u>9,000</u>
	<u>988,834</u>	<u>1,021,871</u>	<u>988,568</u>	<u>1,018,443</u>

**LAIRD STRATEGIC LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 October 2001

**9. CURRENT ASSET INVESTMENTS**  
**AT COST**

	<b>Group</b>		<b>Company</b>	
	2001	2000	2001	2000
	£	£	£	£
Listed investments	-	55,323	-	36,551
Unlisted investments	<u>1,061,955</u>	<u>890,584</u>	<u>479,698</u>	<u>572,399</u>
	<u>1,061,955</u>	<u>945,907</u>	<u>479,698</u>	<u>608,950</u>

**MARKET VALUE**

	<b>Group</b>		<b>Company</b>	
	2001	2000	2001	2000
	£	£	£	£
Listed investments	-	63,820	-	45,047
Unlisted investments – AIM and OFEX	73,536	703,484	32,068	106,381
Unlisted investments – directors' valuation	<u>1,487,528</u>	<u>1,130,568</u>	<u>895,500</u>	<u>1,083,567</u>
	<u>1,561,064</u>	<u>1,897,872</u>	<u>927,568</u>	<u>1,234,995</u>

**10. CREDITORS: AMOUNTS FALLING**  
**DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2001	2000	2001	2000
	£	£	£	£
Bank loans and overdrafts (see note 11)	1,404,403	1,416,636	1,404,403	1,416,636
Amounts owed to group undertakings	-	-	598,188	562,388
Related party balances	47,000	263,883	47,000	263,883
Other creditors	845,972	103,713	769,220	102,961
Accrued expenses	<u>50,616</u>	<u>33,382</u>	<u>37,592</u>	<u>26,402</u>
	<u>2,347,991</u>	<u>1,817,614</u>	<u>2,856,403</u>	<u>2,372,270</u>

**11. LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	<b>Group</b>		<b>Company</b>	
	2001	2000	2001	2000
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	897	13,130	897	13,130
Bank loans	<u>1,403,506</u>	<u>1,403,506</u>	<u>1,403,506</u>	<u>1,403,506</u>
	<u>1,404,403</u>	<u>1,416,636</u>	<u>1,404,403</u>	<u>1,416,636</u>



**LAIRD STRATEGIC LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 October 2001

**12. SECURED DEBTS**

The following secured debts are included within creditors:

	2001	2000
	£	£
Bank loans	<u>1,403,506</u>	<u>1,403,506</u>

**13. PROVISIONS FOR LIABILITIES AND CHARGES**

	2001	2000
	£	£
Minority interest	<u>46,911</u>	<u>38,841</u>

The minority interest represents 4.3% of share capital of Albemarle Trust Plc.

**14. CALLED UP SHARE CAPITAL**

Authorised:			2001	2000
Number:	Class:	Nominal value:	£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid:			2001	2000
Number:	Class:	Nominal value:	£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

**15. REVALUATION RESERVE**

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Brought forward	-	-	334,419	225,555
Revaluation of subsidiary	-	-	179,597	65,926
Transfer profit and loss	-	-	-	42,938
	<u>-</u>	<u>-</u>	<u>514,016</u>	<u>334,419</u>

**16. CAPITAL RESERVE**

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Acquisition of subsidiaries	<u>246,774</u>	<u>246,774</u>	<u>-</u>	<u>-</u>

# LAIRD STRATEGIC LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 October 2001

### 17. ULTIMATE PARENT COMPANY

The company is jointly controlled by Summertide Limited and Wichenford Holdings Limited, in which Mr Van Praagh's family and Mr Britten-Long's family respectively have interests.

### 18. RELATED PARTY DISCLOSURES

During the period, management fees payable to Laird Promotions and Services Limited and Summertide Limited amounted to £397,030 (2000: £235,000) and £20,000 (2000: £10,000) respectively.

As at 31st October 2001, amounts were due from the following related parties:

Name	Relationship	2001 £	2000 £
Wichenford Holdings Limited	Controlling party	172,318	151,518
Videobook Productions Limited	Mr R M Britten-Long is a director	11,592	12,066
Petherway Limited	Mr R M Britten-Long and Mr A Van Praagh are the directors	187,122	224

Amounts due to the following related parties were:

Name	Relationship	2001 £	2000 £
Mr R M Britten-Long	Company director	47,000	35,000
Laird Promotions and Services Limited	Mr R M Britten-Long is a director	-	70,750
Broadminster Limited	Mr A Van Praagh is a director	-	158,133

The bank loans are secured by first legal charges over properties owned by Broadminster Limited and Faithwell Limited. Mr A Van Praagh is a director of both companies.

### 19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Group		Company	
	2001 £	2000 £	2001 £	2000 £
Loss for the financial year	(477,065)	(105,125)	(656,662)	(171,051)
Revaluation of subsidiaries	-	-	179,597	65,926
<b>NET ADDITION TO SHAREHOLDERS' FUNDS</b>	<b>(477,065)</b>	<b>(105,125)</b>	<b>(477,065)</b>	<b>(105,125)</b>
Opening shareholders' funds	<u>133,850</u>	<u>238,975</u>	<u>133,850</u>	<u>238,975</u>
<b>CLOSING SHAREHOLDERS' FUNDS</b>	<b><u>(343,215)</u></b>	<b><u>133,850</u></b>	<b><u>(343,215)</u></b>	<b><u>133,850</u></b>
Equity interests	<u>(343,215)</u>	<u>133,850</u>	<u>(343,215)</u>	<u>133,850</u>