

**REGISTRAR OF
COMPANIES**

3513344

Havana Holdings (UK) Limited

Report and Financial Statements

Year Ended

30 September 2001



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BDO

BDO Stoy Hayward
Chartered Accountants

HAVANA HOLDINGS (UK) LIMITED

Report and financial statements for the year ended 30 September 2001

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Directors

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Directors

M A Cairns
J O'Shea
S Moatassem
J Rea

Secretary and registered office

S Moatassem, Media House, 93 Park Lane, London W1Y 3TA.

Company number

3513344

Auditors

BDO Stoy Hayward, 8 Baker Street, London, W1U 3LL.

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HAVANA HOLDINGS (UK) LIMITED

Report of the directors for the year ended 30 September 2001

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

Results and dividends

The profit and loss account is set out on page 4 and shows the result for the year.

The directors do not recommend an ordinary dividend.

Principal activities, trading review and future developments

The principal activity of the group consists of ownership of, and investments in hotels.

The company trades as an investment holding company. The company's principal investment is the Churchill Inter-Continental Hotel, Portman Square, London.

The directors were satisfied with the results in 2001 and they anticipate that they will achieve similar results in 2002.

There have been no events since the balance sheet date which materially effect the position of the company.

Charitable and political contributions

During the year the group made charitable donations of £Nil (2000 - £1,500).

Directors

The directors of the company during the year and their interests in the ordinary share capital of the company were:

M A Cairns
J O'Shea
S Moatassem
J Rea

No director had any beneficial interest in the ordinary shares of the company at any time during the year.

Employment of disabled persons

The nature of the group's business is such that the duties of the majority of employees can only be performed by able-bodied people. Disabled people are not discriminated against when applying for suitable posts. Every effort is made to transfer employees becoming disabled to suitable posts within the groups.

Employee involvement

The group's communications with employees are conducted informally through the established supervisory structure.

HAVANA HOLDINGS (UK) LIMITED

Report of the directors for the year ended 30 September 2001 (*Continued*)

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 the group and of the profit or loss of the group for that year. 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;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- 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 the group 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.

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board

S Moatassem



Secretary

Date 4 December 2002

HAVANA HOLDINGS (UK) LIMITED

Report of the independent auditors

To the shareholders of Havana Holdings (UK) Limited

We have audited the financial statements of Havana Holdings (UK) Limited on pages 4 to 19 which have been prepared under the accounting policies set out on pages 8 and 9.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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

Basis of opinion

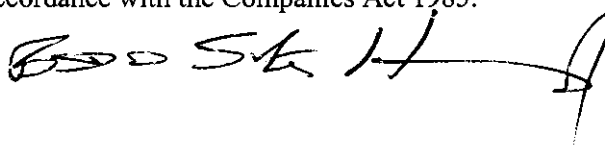
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group as at 30 September 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.

BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors
London



4 December 2002

HAVANA HOLDINGS (UK) LIMITED**Consolidated profit and loss account for the year ended 30 September 2001**

	Note	2001 £'000	2000 £'000
Turnover	2	27,563	27,392
Raw materials and consumables		(1,165)	(1,282)
Other external charges		(1,530)	(1,476)
Staff costs	3	(6,550)	(7,006)
Depreciation		(3,695)	(3,780)
Other operating charges		(5,943)	(6,195)
Operating profit	4	8,680	7,653
Interest receivable and similar income		338	478
Interest payable and similar charges	5	(7,519)	(7,855)
Profit on ordinary activities before taxation		1,499	276
Taxation on profit from ordinary activities	6	735	796
Profit/(loss) on ordinary activities after taxation and retained for the year		764	(520)

All recognised gains and losses are included in the profit and loss account.
All amounts relate to continuing activities.

The notes on pages 8 to 19 form part of these financial statements.

HAVANA HOLDINGS (UK) LIMITED

Consolidated balance sheet at 30 September 2001

	Note	2001 £'000	2001 £'000	2000 £'000	2000 £'000
Fixed assets					
Tangible assets	7		146,705		147,874
Current assets					
Stocks	9	549		507	
Debtors	10	2,767		4,915	
Cash at bank and in hand		4,377		5,386	
		<u>7,693</u>		<u>10,808</u>	
Creditors: amounts falling due within one year	11	<u>8,293</u>		<u>12,676</u>	
Net current liabilities			<u>(600)</u>		<u>(1,868)</u>
Total assets less current liabilities			<u>146,105</u>		<u>146,006</u>
Creditors: amounts falling due after more than one year	12		<u>(94,799)</u>		<u>(95,464)</u>
			<u>51,306</u>		<u>50,542</u>
Capital and reserves					
Called up share capital	14		42,500		42,500
Share premium	15		5,000		5,000
Profit and loss account	15		3,806		3,042
Shareholders' funds - equity	16		<u>51,306</u>		<u>50,542</u>

The financial statements were approved by the Board on 4 December 2002

S Moatassem)

) Directors

J O'Shea)

The notes on pages 8 to 19 form part of these financial statements.

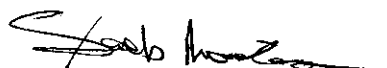
HAVANA HOLDINGS (UK) LIMITED

Balance sheet at 30 September 2001


	Note	2001 £'000	2001 £'000	2000 £'000	2000 £'000
Fixed assets					
Investments	8		72,838		72,838
Current assets					
Debtors	10	100,349		94,436	
Cash at bank and in hand		2,187		2,789	
		<u>102,536</u>		<u>97,225</u>	
Creditors: amounts falling due within one year	11	<u>44,738</u>		<u>37,170</u>	
Net current assets			<u>57,798</u>		<u>60,055</u>
Total assets less current liabilities			<u>130,636</u>		<u>132,893</u>
Creditors: amounts falling due after more than one year	12		<u>94,799</u>		<u>95,464</u>
			<u>35,837</u>		<u>37,429</u>
Capital and reserves					
Called up share capital	14		42,500		42,500
Share premium	15		5,000		5,000
Profit and loss account	15		(11,663)		(10,071)
Shareholders' funds - equity	16		<u>35,837</u>		<u>37,429</u>

The financial statements were approved by the Board on 4 December 2002

S Moatassem)

)  Directors

J O'Shea)

) 

The notes on pages 8 to 19 form part of these financial statements.

HAVANA HOLDINGS (UK) LIMITED

Consolidated cash flow statement for the year ended 30 September 2001

	Note	2001 £'000	2001 £'000	2000 £'000	2000 £'000
Net cash inflow from operating activities	21		10,632		10,865
Returns on investments and servicing of finance					
Interest received		338		478	
Interest paid		(6,400)		(6,821)	
			(6,062)		(6,343)
Taxation					
UK Corporation tax			(1,834)		(526)
Capital expenditure					
Purchase of tangible fixed assets			(2,526)		(3,788)
Cash outflow before use of liquid resources and financing			210		208
Management of liquid resources					
Cash held on short term deposit	23		673		5,735
Financing					
Bank loans repaid		(5,500)		(5,500)	
Amounts advanced by parent company		4,281		-	
			(1,219)		(5,500)
(Decrease)/increase in cash			(336)		443

The notes on pages 8 to 19 form part of these financial statements.

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Consolidation

The consolidated financial statements incorporate the financial statements of Havana Holdings (UK) Limited and all of its subsidiaries. The results of companies acquired are included in the profit and loss account from the date of acquisition.

In accordance with the exemption allowed in Section 230 (3) of Companies Act 1985, a separate profit and loss account dealing with the results of the company has not been prepared. The group profit for the year includes a loss of £1,592,000 (2000 – loss of £1,905,000) which is dealt with in the financial statements of the company.

Turnover

Turnover represents the invoiced value of goods and services, exclusive of VAT, provided to customers of the Churchill Hotel, Portman Square, London.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, except for investment properties and freehold land evenly over their expected useful lives. It is calculated at the following rates:

Long leasehold land and buildings	- 50 years
Fixtures, fittings, tools and equipment	- 10 years

Stocks

Stocks are valued at the lower of cost and net realisable value.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, to the extent that it is probable that a liability or asset will crystallise.

Foreign currency

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the profit and loss account.

Leased assets

Annual rentals on operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001 (*Continued*)

1 Accounting policies (*Continued*)

Pensions

Pension costs in respect of the group's defined benefit scheme are charged to the profit and loss account so as to spread the cost of pensions over the service lives of the employees in the scheme. Variations from the regular cost are spread over the remaining service lives of current employees in the scheme. The pension cost is assessed in accordance with the advice of a qualified actuary.

Discounted loan notes

The finance cost of discounted loan notes is calculated at a constant rate on the carrying amount such that the value of the initial proceeds from the loan notes and accrued interest will equal the value at which the loan notes are to be redeemed at the date of maturity.

Liquid resources

Liquid resources consist of amounts on deposit with a maturity of up to twelve months.

2 Turnover

Turnover represents the invoiced value of goods and services, exclusive of VAT, provided to customers of The Churchill Inter-Continental Hotel, Portman Square, London. All revenue is generated in the United Kingdom.

The directors consider the whole of the activities of the group to constitute a single class of business.

3 Directors and employees

	2001 £'000	2000 £'000
Staff costs consist of:		
Wages and salaries	5,817	6,179
Social security costs	449	460
Other pension costs	284	367
	<hr/>	<hr/>
	6,550	7,006
	<hr/>	<hr/>

The average number of employees during the year was 272 (2000 – 348).

The directors received fees of £75,000 (2000 - £75,000) during the year.

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001 (*Continued*)

4 Operating profit

	2001 £'000	2000 £'000
This is arrived at after charging:		
Depreciation on fixed assets	3,695	3,780
Hire of other assets - operating leases	26	12
Auditors' remuneration - group audit services	35	41
	<u> </u>	<u> </u>

5 Interest payable and similar charges

	2001 £'000	2000 £'000
Bank loans	6,366	6,821
Interest on amounts owed to parent undertaking	1,119	1,034
Other interest charges	34	-
	<u> </u>	<u> </u>
	7,519	7,855
	<u> </u>	<u> </u>

6 Taxation on profit from ordinary activities

	2001 £'000	2000 £'000
<i>Current tax</i>		
UK corporation tax in respect of current year	832	796
Over provision in respect of prior year	(97)	-
	<u> </u>	<u> </u>
	735	796
	<u> </u>	<u> </u>

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001 (*Continued*)

7 Tangible assets - group

	Long leasehold land and buildings £'000	Fixtures, fittings and equipment £'000	Total £'000
<i>Cost</i>			
At 1 October 2000	147,052	14,424	161,476
Additions	1,810	716	2,526
	<hr/>	<hr/>	<hr/>
At 30 September 2001	148,862	15,140	164,002
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 October 2000	2,356	11,246	13,602
Provided for the year	2,393	1,302	3,695
	<hr/>	<hr/>	<hr/>
At 30 September 2001	4,749	12,548	17,297
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 30 September 2001	144,113	2,592	146,705
	<hr/>	<hr/>	<hr/>
At 30 September 2000	144,696	3,178	147,874
	<hr/>	<hr/>	<hr/>

8 Fixed asset investments

	2001 £'000	2000 £'000
Company		
<i>Cost and net book value</i>		
On acquisition and 30 September 2001	72,838	72,838
	<hr/>	<hr/>

The investments are unlisted. Further details of subsidiary undertakings included in the group are shown in note 17.

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001 (*Continued*)

9 Stocks

	Group		Company	
	2001	2000	2001	2000
	£'000	£'000	£'000	£'000
Consumables	12	10	-	-
Goods for resale	89	99	-	-
Operating equipment	448	398	-	-
	<u>549</u>	<u>507</u>	<u>-</u>	<u>-</u>

10 Debtors

	Group		Company	
	2001	2000	2001	2000
	£'000	£'000	£'000	£'000
Trade debtors	1,919	3,380	-	-
Due from parent undertaking	566	566	-	566
Due from subsidiary undertakings	-	-	99,885	93,317
Other debtors	629	701	464	553
Prepayments and accrued income	219	268	-	-
	<u>2,767</u>	<u>4,915</u>	<u>100,349</u>	<u>94,436</u>

All amounts shown under debtors fall due for payment within one year.

11 Creditors: amounts falling due within one year

	Group		Company	
	2001	2000	2001	2000
	£'000	£'000	£'000	£'000
Bank loans (secured – see note 12)	5,500	5,500	5,500	5,500
Amounts owed to subsidiary undertakings	-	-	39,038	31,403
Trade creditors	1,198	3,097	-	-
Taxation and social security	795	1,296	-	-
Corporation tax	3	1,078	-	-
Other creditors	360	576	-	-
Accruals and deferred income	437	1,129	200	267
	<u>8,293</u>	<u>12,676</u>	<u>44,738</u>	<u>37,170</u>

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001 (*Continued*)

12 Creditors: amounts falling due after more than one year

	Group		Company	
	2001 £'000	2000 £'000	2001 £'000	2000 £'000
Amounts owed to parent undertaking	18,799	13,964	18,799	13,964
Bank loan (secured)	76,000	81,500	76,000	81,500
	<u>94,799</u>	<u>95,464</u>	<u>94,799</u>	<u>95,464</u>

Included within amounts owed to the parent undertaking are discounted loan notes of £9,500,000 repayable in 2007 and £10,500,000 repayable in 2004. The loan notes were issued for a redemption value of £19,800,000 and £17,100,000 respectively. Interest of £4,501,000 has been accrued up to the balance sheet date on these balances in accordance with Financial Reporting Standard 4.

The bank loan is secured by a fixed and floating charge over the assets of the group. Interest on the bank loan is charged at 7.75 % on the first £7,000,000 and 7.45% on the remaining balance.

The repayments on this loan are as follows:

	2001 £'000	2000 £'000
In one year or less	5,500	5,500
In more than one year but not more than two years	7,750	12,000
In more than five years	68,250	69,500
	<u>81,500</u>	<u>87,000</u>

13 Deferred taxation

	2001 Unprovided £'000	2001 Provided £'000	2000 Unprovided £'000	2000 Provided £'000
Group				
Decelerated capital allowances	(178)	-	(114)	-
Unrelieved tax losses carried forward	(6,390)	-	(8,197)	-
Revaluation reserve	26,668	-	26,746	-
Interest payable	(1,205)	-	(833)	-
	<u>18,895</u>	<u>-</u>	<u>17,602</u>	<u>-</u>

Company

There is no unprovided deferred tax at company level.

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001 (*Continued*)

14 Share capital

	Authorised			
	2001 Number	2000 Number	2001 £'000	2000 £'000
Ordinary shares of £1 each	100,000,000	100,000,000	100,000	100,000
	Allotted, called up and fully paid			
	2001 Number	2000 Number	2001 £'000	2000 £'000
Ordinary shares of £1 each	42,500,000	42,500,000	42,500	42,500

15 Reserves

An analysis of movements on reserves is given below:

	Group £'000	Company £'000
<i>Share premium</i>		
At 1 October 2000 and at 30 September 2001	5,000	5,000
<i>Profit and loss account</i>		
At 1 October 2000	3,042	(10,071)
(Profit)/loss for the year	764	(1,592)
At 30 September 2001	3,806	(11,663)

16 Reconciliation of movements in shareholders' funds

	Group		Company	
	2001 £'000	2000 £'000	2001 £'000	2000 £'000
Profit/(loss) for the year	794	(520)	(1,592)	(1,905)
Opening shareholders' funds	50,542	51,062	37,429	39,334
Closing shareholders' funds	51,306	50,542	35,837	37,429

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001 (*Continued*)

17 Subsidiary undertakings

The company's subsidiaries, owned directly or indirectly and included within the consolidated financial statements are as follows:

Name	Principal activities	Description and proportion of shares held	Country of registration
Primeairo Limited	Holding company	100% ordinary shares	England
International Hoteliers (UK) Limited	Hotel owning company	100% ordinary shares	England
Churchill Group Limited	Hoteliers	100% ordinary shares 100% deferred shares	England

18 Pension scheme

The company operates a pension scheme in the United Kingdom called the Churchill Staff Benefits Plan which is a funded defined benefit plan. The assets of the scheme are excluded from these accounts and held in separate Trustee Administered Funds.

The company's pension costs are calculated in accordance with the advice of an independent qualified actuary using the Current Unit Age Method. The latest formal Actuarial Valuation of the Scheme was carried out as at 6 April 2001. The principal assumptions adopted in the valuation were that, over the long term the annual rate of return on investments would be 9.0%, salary increases would be 6% per annum and increases to pensions in payment would be 5%.

The net market value of the assets of the scheme at the last valuation date were £7,707,000. The actuarial value of these assets on an "on-going" basis was not sufficient to cover the liabilities of the schemes by £2,766,000. The valuation indicated that on the basis of service to date and current salaries, the schemes assets were sufficient to meet 74% of its liabilities. Additional monthly contributions will be made by the company in order to meet its liabilities. The total pension cost for the company in the year was £283,569 (2000 - £367,372).

Financial Reporting Standard 17 'Retirement Benefits' (FRS 17)

The company is required to comply fully with FRS 17 in its financial statements for the year ended 30 September 2003. The impact on the financial statements of FRS 17 could be significant as it would require the company to include the current deficit in the defined benefit scheme of £2,766,000 as a separate liability on its balance sheet. As stated in note 1 the group has taken advantage of the transitional arrangements allowed under FRS 17, which requires the following disclosures to be made in these financial statements in preparation for this change in accounting policy. Further disclosures will be made in the financial statements for the year ended 30 September 2002.

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001 (Continued)

18 Pension scheme (Continued)

A full actuarial valuation of the defined benefit scheme was carried out at 6 April 2001 and updated to 30 September 2001 by a qualified independent actuary on a FRS 17 basis. The major assumptions at 30 September 2001 used by the actuary were:

Rate of increase in salaries	4.0%
Rate of increase for pensions in payment	5.0%
Rate of increase for deferred pensioners	6.0%
Discount rate	6.0%
Inflation assumption	2.5%

The assets in the scheme and the expected rate of return at 30 September 2001 were:

	Long-term rate of return expected at 30 September 2001	Value at 30 September 2001 £'000
Equities	7.8%	4,732
Bonds	5.0%	1,907
Other	4.5%	449
		<hr/>
Total market value of assets		7,088
Present value of scheme liabilities		(11,196)
		<hr/>
Deficit in the scheme		(4,108)
Related deferred tax asset		1,232
		<hr/>
Net pension liability on a FRS 17 basis		2,876

Contributions of £770,346 were made in the period to 30 September 2001 (17.9% of pensionable pay, plus additional contributions to fund the net deficit). It has been agreed with the trustees that contributions up to April 2003 will be 17.9% of pensionable pay plus £97,000 per month. This will reduce to 17.9% plus £30,900 per month from April 2003 onward.

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001 (*Continued*)

18 Pension scheme (*Continued*)

The effect on the profit and loss reserve if the pension scheme liability were incorporated into the financial statements is as follows:

	30 September 2001 £'000
Profit and loss reserve excluding pension liability	20,797
Pension reserve	(2,876)
Reversal of SSAP 24 asset net of deferred tax	(87)
	<hr/>
Profit and loss reserve	17,834
	<hr/>

19 Commitments under operating leases

At 30 September 2001, the group had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings	
	2001 £'000	2000 £'000
Operating leases which expire:		
Within one year	25	-
After five years	-	25
	<hr/>	<hr/>
	25	25
	<hr/>	<hr/>

20 Related party transactions

The trading operations of the Churchill Inter-Continental Hotel are managed by Inter-Continental Hotel & Resorts. During the year the group was charged, licence fees of £555,019 (2000 - £550,053) and Global reservation fees of £51,498 (2000 - £78,233) and credited with management fees of £135,457 (2000 - £49,735) by Inter-Continental Hotels & Resorts. At 30 September 2000 £188,983 (2000 - £257,463) was owed to them.

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8, Related Party Disclosures, not to disclose transactions with group companies, on the basis that it is Havana Holdings (UK) Limited prepares consolidated accounts which are publicly available.

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001 (*Continued*)

21 Reconciliation of operating profit to net cash inflow from operating activities

	2001 £'000	2000 £'000
Operating profit	8,680	7,653
Depreciation	3,695	3,780
Decrease/(increase) in debtors	1,583	(435)
Decrease in creditors	(3,284)	(145)
Increase in stock	(42)	(2)
Loss on disposal of fixed assets	-	14
	<u>10,632</u>	<u>10,865</u>

22 Reconciliation of net cash inflow to movement in net debt

	2001 £'000	2001 £'000	2000 £'000	2000 £'000
(Decrease)/increase in cash in the year	(336)		443	
Cash outflow from decrease in debt	1,219		5,500	
Cash inflow from increase in liquid resources	(672)		(5,735)	
	<u></u>		<u></u>	
Change in net debt resulting from cash flows		211		208
Other non-cash movements		(1,120)		(1,034)
		<u></u>		<u></u>
Movement in net debt in the year		(909)		(826)
Net debt at 1 October 2000		(95,012)		(94,186)
		<u></u>		<u></u>
Net debt at 30 September 2001		(95,921)		(95,012)
		<u></u>		<u></u>

HAVANA HOLDINGS (UK) LIMITED

Notes forming part of the financial statements for the year ended 30 September 2001 (*Continued*)

23 Analysis of changes in net debt

	At 1 October 2000 £'000	Cash flow £'000	Other non-cash movements £'000	At 30 September 2001 £'000
Cash in hand and at bank	2,084	(336)	-	1,748
Debt due within one year	(5,500)	-	-	(5,500)
Debt due after one year:				
Bank loans	(81,500)	5,500	-	(76,000)
Advances from parent company	(13,398)	(4,281)	(1,120)	(18,799)
Short term deposits	3,302	(672)	-	2,630
	<u>(95,012)</u>	<u>211</u>	<u>(1,120)</u>	<u>(95,921)</u>

24 Ultimate parent company

At 30 September 2001 the company's immediate parent company was Havana Investments Limited, a company incorporated under the terms of the State of Jersey.

The ultimate controlling party is unknown.