REGISTERED NUMBER: 1604821

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2001

FOR

HEATON HOLDINGS LIMITED



A04 0730
COMPANIES HOUSE 05/10/01
COMPANIES HOUSE 27/09/01

Morris Crocker
Chartered Accountants
Registered Auditors
1 Osborn Road South
Fareham
Hampshire
PO16 7JT

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HEATON HOLDINGS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2001

DIRECTORS:	S J H Waring BSc(Hons)C Eng, FICE Mrs A C H Waring D W Russell - Solicitor
SECRETARY:	D G Hosier ACCA
REGISTERED OFFICE:	Heaton House Cams Estate Fareham Hampshire PO16 8AA
REGISTERED NUMBER:	1604821
AUDITORS:	Morris Crocker Chartered Accountants and Registered Auditors 1 Osborn Road South Fareham Hampshire PO16 7JT
BANKERS:	Lloyds TSB Bank plc Gracechurch House 23/35 Castle Way Southampton Hampshire SO14 2BW
SOLICITORS:	Blake Lapthorn 1 Barnes Wallis Road Segensworth Fareham Hampshire PO15 5UA

HEATON HOLDINGS LIMITED

REPORT OF THE CHAIRMAN
FOR THE YEAR ENDED 30 APRIL 2001

Heaton Holdings Limited have enjoyed yet another excellent year, with operating profit again exceeding £1 million. Furthermore, the group balance sheet now stands in excess of £15 million.

The two major development companies in the group, Gatcombe House Properties Limited and Strand Harbour Securities Limited have both performed well.

At North Harbour, near Portsmouth, following the successful sale to the Merchant Navy Officers Pension Fund of a 20,000sq.ft. office building let to McLarens Toplis and a 14,000sq.ft. car showroom to Wessex Landrover, Haven House, an 11,000sq.ft. office has been completed and sold to Inchcape Estates Limited. The last remaining building on the site is currently under construction and has already been pre-let. This will complete a very successful development.

On Cams Estate near Fareham, the sale of the West Barn and Main Barn were completed. The most important feature of the year however, was the letting of the remainder of Delme Place. The investment sale of this 32,000sq.ft. office is now in Solicitors' hands.

Carnac Court, the final phase of the Cams development, is now under construction. This comprises 38,000sq.ft. of offices in 6 buildings. Two of these buildings are already pre-let and two more are in Solicitors' hands.

Heaton Property Investments Limited have also experienced an excellent year. All properties in the portfolio are fully let to strong tenants. The year has also seen rental and capital growth. The two small industrial units at Hamilton Road have been sold to the occupiers. However it is planned to increase the portfolio quite substantially in the next two years.

Investment by the major water companies in the sewerage infrastructure has been at the lowest level since the water industry was privatised. As a result, Sanipor (UK) Limited has experienced a poor year. There are however signs that this situation is changing, but it is unlikely to improve significantly in the year to April 2002. Nevertheless, the company remains confident in the Sanipor process and that the market will improve.

The group enjoys a healthy cash balance and the Directors are confident that the current year will prove equally profitable.

Stuart J H Waring

.....

S J H Waring BSc(Hons), C Eng, FICE - CHAIRMAN

Dated: 13th August 2001

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2001

The directors present their report with the financial statements of the company for the year ended 30 April 2001.

PRINCIPAL ACTIVITY
The principal activity of Heaton Holdings Limited and its subsidiaries in the year under review are property development and property investment.

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

A summary of the year's performance is included in the Chairman's Statement.

DIVIDENDS
An interim dividend of £1.00 per share was paid on 6th April 2001. The directors recommend that no final dividend be paid.

The total dividends for the year ended 30 April 2001 will therefore be £139,711.

DIRECTORS
The directors during the year under review were:

S J H Waring BSc(Hons)C Eng, FICE
Mrs A C H Waring
D W Russell - Solicitor

Mr and Mrs Waring have an interest in the share capital of the company through their holding in the shares of the ultimate holding company, Heaton Consolidated Property Holdings Limited. Their interests are shown in the director's report for that company.

DONATIONS
During the year the group made various charitable contributions totalling £800.

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.

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

ON BEHALF OF THE BOARD:

.....
D G Hosier ACCA - SECRETARY

Dated: 13th August 2001

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF HEATON HOLDINGS LIMITED

We have audited the financial statements of Heaton Holdings Limited for the year ended 30 April 2001 on pages five to twenty one. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

Respective responsibilities of directors and auditors
As described on page three 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 or group 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 or group is not disclosed.

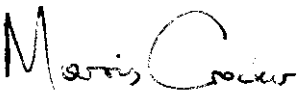
We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of 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 the company and the group's affairs as at 30 April 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Morris Crocker
Chartered Accountants and
Registered Auditors
1 Osborn Road South
Fareham
Hampshire
PO16 7JT



Dated: 15th August 2001

HEATON HOLDINGS LIMITED

GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2001

	Notes	2001 £	2000 £
TURNOVER		3,122,085	4,608,879
Cost of sales		(1,821,192)	(2,561,514)
GROSS PROFIT		1,300,893	2,047,365
Administrative expenses		(678,246)	(578,680)
		622,647	1,468,685
Other operating income		406,639	281,504
OPERATING PROFIT	3	1,029,286	1,750,189
Interest receivable and similar income		180,508	124,887
Interest payable and similar charges	5	(720)	(72,609)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,209,074	1,802,467
Tax on profit on ordinary activities	6	(362,995)	(393,647)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		846,079	1,408,820
Equity minority interest		(24,383)	(33,721)
PROFIT FOR THE FINANCIAL YEAR		821,696	1,375,099
Dividends	7	(139,711)	(500,165)
RETAINED PROFIT FOR THE FINANCIAL YEAR		681,985	874,934
RETAINED PROFIT BROUGHT FORWARD		13,432,332	11,633,692
		14,114,317	12,508,626
Transfer from revaluation reserve on disposal of investment property		83,978	890,463
Adjustment on disposal of subsidiaries		-	3,753
Profits realised on disposal of property		-	29,490
RETAINED PROFIT CARRIED FORWARD		14,198,295	£13,432,332

CONTINUING OPERATIONS
None of the company's activities were acquired or discontinued during the current and previous years.

The notes form part of these financial statements

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 APRIL 2001

	2001	2000
	£	£
PROFIT FOR THE FINANCIAL YEAR	821,696	1,375,099
Unrealised surplus on revaluation of investment properties	156,860	195,756
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	978,556	£1,570,855

NOTE OF HISTORICAL COST PROFITS AND LOSSES FOR THE YEAR ENDED 30 APRIL 2001

	2001	2000
	£	£
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1,209,074	1,802,467
Realisation of property revaluation profits of previous years	83,978	890,463
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	£1,293,052	£2,692,930
Historical cost profit for the year retained after taxation, minority interest and dividends	£765,963	£1,765,397

HEATON HOLDINGS LIMITED

GROUP BALANCE SHEET
30 APRIL 2001

	Notes	2001 £	2000 £
FIXED ASSETS:			
Tangible assets	8	5,833,336	5,956,390
Intangible assets	9	40,000	60,000
		5,873,336	6,016,390
CURRENT ASSETS:			
Stocks and work in progress	11	8,048,497	6,366,548
Debtors	12	176,499	2,771,408
Cash at bank and in hand		2,496,268	1,579,354
		10,721,264	10,717,310
CREDITORS: Amounts falling due within one year	13	(1,053,567)	(2,053,157)
NET CURRENT ASSETS:		9,667,697	8,664,153
TOTAL ASSETS LESS CURRENT LIABILITIES:		15,541,033	14,680,543
CREDITORS: Amounts falling due after more than one year	14	(1,202)	(3,940)
		£15,539,831	£14,676,603
CAPITAL AND RESERVES:			
Called up share capital	18	139,711	139,711
Other reserves	19	1,257,651	1,184,769
Profit and loss account		14,198,295	13,432,332
		15,595,657	14,756,812
Equity minority interest		(55,826)	(80,209)
Shareholders' funds	20	£15,539,831	£14,676,603

HEATON HOLDINGS LIMITED

PARENT COMPANY BALANCE SHEET
30 APRIL 2001

	Notes	2001 £	2000 £
FIXED ASSETS:			
Tangible assets	8	715,276	790,390
Investments	10	57,975	57,975
		773,251	848,365
CURRENT ASSETS:			
Debtors	12	7,571,600	10,107,937
Cash in hand		2,331,378	118,379
		9,902,978	10,226,316
CREDITORS: Amounts falling due within one year	13	(90,779)	(86,454)
NET CURRENT ASSETS:		9,812,199	10,139,862
TOTAL ASSETS LESS CURRENT LIABILITIES:		10,585,450	10,988,227
CREDITORS: Amounts falling due after more than one year	14	(1,202)	(3,940)
PROVISIONS FOR LIABILITIES AND CHARGES:	16	(206,786)	(281,786)
		£10,377,462	£10,702,501
CAPITAL AND RESERVES:			
Called up share capital	18	139,711	139,711
Capital redemption reserve	19	16,891	16,891
Profit and loss account		10,220,860	10,545,899
SHAREHOLDERS' FUNDS:	20	£10,377,462	£10,702,501

ON BEHALF OF THE BOARD:

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D W Russell

Approved by the Board on 13th August 2001

The notes form part of these financial statements

HEATON HOLDINGS LIMITED

GROUP CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2001

	Notes	£	2001 £	£	2000 £
Net cash inflow/(outflow) from operating activities	1		1,010,872		(526,006)
Returns on investments and servicing of finance					
Interest received		179,362		138,964	
Interest paid		(720)		(111,110)	
			178,642		27,854
Taxation			(413,111)		(167,786)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(25,351)		(81,506)	
Sale of tangible fixed assets		308,310		1,554,649	
			282,959		1,473,143
Acquisitions and disposals					
Sale of subsidiary undertaking			-		180
Net cash inflow on capital expenditure and financial investment			1,059,362		807,385
Equity dividends paid			(139,711)		(500,165)
Net cash inflow before financing			919,651		307,220
Financing					
Repayment of long-term loan		-		(2,000,000)	
Capital element of hire purchase and finance lease repayments		(2,737)		(2,738)	
Net cash (outflow) from financing			(2,737)		(2,002,738)
Increase/(decrease) in cash for the year			£916,914		£(1,695,518)
Reconciliation of net cash flow to movement in net funds					
Increase/(decrease) in cash for the year			916,914		(1,695,518)
Cash outflow from debt and lease financing			2,737		2,002,739
Movement in net funds for year			919,651		307,221
Net funds at 1 May 2000	2		1,572,676		1,265,455
Net funds at 30 April 2001	2		£2,492,327		£1,572,676

The notes form part of these financial statements

NOTES TO THE GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2001

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

	2001 £	2000 £
Operating profit	1,029,286	1,750,189
Depreciation and amortisation charges	99,187	96,102
Profit on sale of tangible fixed assets	(51,492)	(86,254)
(Increase) in stocks	(1,541,734)	(742,479)
Decrease/(increase) in debtors	2,583,719	(2,653,840)
(Decrease)/increase in creditors	(1,108,094)	1,110,276
Net cash inflow/(outflow) from operating activities	£1,010,872	£(526,006)

2. ANALYSIS OF NET DEBT

	At 01.05.00 £	Cash Flow £	At 30.04.01 £
Net cash:			
Cash at bank and in hand	1,579,354	916,914	2,496,268
Debt:			
Hire purchase and finance leases	(6,678)	2,737	(3,941)
	£1,572,676	£919,651	£2,492,327

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 50 years
Plant and machinery	- 5 years
Motor vehicles	- 5 years
Patents, licences and franchise costs	- 5 years
Fixtures and fittings	- 5 years

Deferred taxation
Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Finance lease and operating lease commitments
Assets obtained under hire purchase/finance lease contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the obligations is charged to the profit and loss account and represents a constant rate of interest. The liability included in the balance sheet represents total future commitments net of outstanding interest.

Operating lease rentals are charged to the profit and loss account in the period in which they incurred.

Pension costs
Contributions to defined contribution schemes are charged to the profit and loss account in the period in which they fall due.

Investment properties
These represent properties held by the group for their investment potential. They are included in the balance sheet at market value as determined by the directors. In accordance with Statement of Standard Accounting Practice No 19, no depreciation is provided in respect of freehold investment properties. Although the Companies Act 1985 would normally require the systematic annual depreciation of fixed assets, the directors believe that this policy of not providing depreciation is necessary in order for the accounts to give a true and fair view, since the current value of the investment properties, and changes in that current value, are of prime importance rather than a calculation of systematic annual depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been shown cannot be separately identified or quantified.

Turnover
Turnover represents the amounts derived from the provision of goods and services which fall within the group's ordinary activities, stated net of value added tax.

Property developments

Speculative property developments represent the invoiced value of sales, exclusive of value added tax. Work in progress is valued at the lower of cost or net realisable value.

Development contracts are valued at the sales value of work done after provision for anticipated future losses. Cash received on account and amounts certified are deducted from the value of work done and the balance is reflected in debtors as amounts recoverable on contracts. Turnover reflects the value of work done, exclusive of valued added tax. Profit on individual contracts is included on a prudent basis when their outcome can be foreseen with reasonable certainty. Full provision is made for foreseeable losses.

1. ACCOUNTING POLICIES (CONTINUED)

Consolidation
The group accounts consolidate the accounts of Heaton Holdings Limited and all its subsidiary companies.

2. STAFF COSTS

	2001	2000
	£	£
Wages and salaries	374,805	289,590
Social security costs	45,603	29,533
Other pension costs	13,211	14,222
	433,619	333,345

The average monthly number of employees during the year was as follows:

	2001	2000
Management, clerical and administrative	9	9
Technical and operational	0	1
	9	10

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2001	2000
	£	£
Rent receivable	(359,751)	(233,952)
Depreciation – owned assets	96,554	92,467
Depreciation - assets on finance leases	2,635	2,635
Profit on disposal of fixed assets	(51,492)	(86,254)
Auditors' remuneration	22,100	26,675
Rents payable	3,000	3,000
Directors' emoluments	172,817	191,498

4. AMOUNTS WRITTEN OFF INVESTMENTS

	2001	2000
	£	£
Loss on disposal of subsidiary	-	63,365

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2001	2000
	£	£
Bank loan and overdraft interest	-	71,889
Hire purchase	720	720
	720	72,609

6. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	2001	2000
	£	£
UK corporation tax	355,495	390,369
Under provision in earlier years	7,500	3,278
	362,995	393,647

UK corporation tax has been charged at 30% (2000 - 30%).

7. DIVIDENDS

	2001	2000
	£	£
Equity shares:		
Interim - ordinary share	139,711	500,165

8. TANGIBLE FIXED ASSETS

GROUP	Freehold property	Plant and machinery	Motor vehicles	Fixtures and Fittings	Totals
	£	£	£	£	£
COST OR VALUATION					
At 1 May 2000	5,803,156	103,243	211,637	-	6,118,036
Additions	140	17,101	-	38,850	56,091
Disposals	(250,000)	-	(10,995)	-	(260,995)
Surplus on revaluation	156,860	-	-	-	156,860
At 30 April 2001	5,710,156	120,344	200,642	38,850	6,069,992
DEPRECIATION:					
At 1 May 2000	17,852	27,819	115,975	-	161,646
Charge for year	17,424	22,519	39,166	80	79,189
Eliminated on disposals	-	-	(4,179)	-	(4,179)
At 30 April 2001	35,276	50,338	150,962	80	236,656
NET BOOK VALUE:					
At 30 April 2001	5,674,880	70,006	49,680	38,770	5,833,336
At 30 April 2000	5,785,304	75,424	95,662	-	5,956,390

8. TANGIBLE FIXED ASSETS (CONTINUED)
GROUP

Fixed assets, included in the above, which are held under finance leases are as follows:

	Plant and machinery
	£
COST:	
At 1 May 2000 and 30 April 2001	13,173
DEPRECIATION:	
At 1 May 2000	5,708
Charge for year	2,635
At 30 April 2001	8,343
NET BOOK VALUE:	
At 30 April 2001	4,830
At 30 April 2000	7,464

Cost or valuation at 30th April 2001 is represented by:

	Freehold property	Investment properties	Totals
	£	£	£
Cost	637,156	4,015,704	4,652,860
Valuation in 2001	-	1,057,296	1,057,296
	637,156	5,073,000	5,710,156

The investment properties were valued by Mr W E F Whyte, BSc, FRICS, who is a director of the subsidiary company which holds the investment properties. The valuation was based on the market value of investment properties at 30 April 2001.

8. **TANGIBLE FIXED ASSETS**

COMPANY	Freehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£
COST OR VALUATION				
At 1 May 2000	637,156	103,243	211,637	952,036
Additions	-	9,906	-	9,906
Disposals	-	-	(10,995)	(10,995)
At 30 April 2001	637,156	113,149	200,642	950,947
DEPRECIATION:				
At 1 May 2000	17,852	27,819	115,975	161,646
Charge for year	17,424	21,614	39,166	78,204
Eliminated on disposals	-	-	(4,179)	(4,179)
At 30 April 2001	35,276	49,433	150,962	235,671
NET BOOK VALUE:				
At 30 April 2001	601,880	63,716	49,680	715,276
At 30 April 2000	619,304	75,424	95,662	790,390

Fixed assets, included in the above, which are held under finance leases are as follows:

	Plant and machinery
	£
COST:	
At 1 May 2000 and 30 April 2001	13,173
DEPRECIATION:	
At 1 May 2000	5,708
Charge for year	2,635
At 30 April 2001	8,343
NET BOOK VALUE:	
At 30 April 2001	4,830
At 30 April 2000	7,464

9. INTANGIBLE FIXED ASSETS

	Patents and licences
	£
COST:	
At 1 May 2000 and 30 April 2001	120,984
AMORTISATION:	
At 1 May 2000	60,984
Charge for year	20,000
At 30 April 2001	80,984
NET BOOK VALUE:	
At 30 April 2001	40,000
At 30 April 2000	60,000

10. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 May 2000 AND 30 April 2001	57,975
NET BOOK VALUE:	
At 30 April 2001	57,975
At 30 April 2000	57,975

	2001	2000
	£	£
Unlisted investments	57,975	57,975

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

Gatcombe House Properties Limited
Nature of business: Land and property development

Class of shares:	% holding
Ordinary	100.00

Heaton Property Investments Limited
Nature of business: Property investment

Class of shares:	% holding
Ordinary	100.00

10. FIXED ASSET INVESTMENTS (CONTINUED)

Sanipor (UK) Limited
Nature of business: Sewer renovation franchisor

Class of shares:	% holding
Ordinary	100.00

Strand Harbour Securities Limited
Nature of business: Land and property development

Class of shares:	% holding
'A' Ordinary	94.29

All the above subsidiaries have been included in the consolidated accounts.

11. STOCKS AND WORK IN PROGRESS

	2001		2000	
	Group £	Company £	Group £	Company £
Work in progress	8,048,497	-	6,366,548	-

Work in progress includes interest of £395,787 (2000: £395,787).

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001		2000	
	Group £	Company £	Group £	Company £
Amounts recoverable on contracts	-		2,710,000	-
Trade debtors	75,000		5,000	-
Other debtors	79,554	64,975	7,891	97
Prepayments and accrued income	18,640	1,707,381	26,626	1,953,591
Group undertakings	-	5,799,244	-	8,154,249
Tax recoverable	3,305	-	21,891	-
	176,499	7,571,600	2,771,408	10,107,937

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001		2000	
	Group £	Company £	Group £	Company £
Hire purchase contracts and finance leases (see note 15)	2,739	2,739	2,738	2,738
Trade creditors	-	-	747,418	-
Advance payments on contracts	-	-	550,000	-
Other creditors	272,694	19,560	123,924	29,998
Social security costs and other taxes	17,858	17,858	22,758	22,758
Corporation tax	280,177	10,369	348,879	12,000
Accruals and deferred income	480,099	22,328	257,440	18,960
Group undertakings	-	17,925	-	-
	1,053,567	90,779	2,053,157	86,454

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2001		2000	
	Group £	Company £	Group £	Company £
Hire purchase contracts and finance leases (see note 15)	1,202	1,202	3,940	3,940

15. OBLIGATIONS UNDER LEASING AGREEMENTS

	Finance leases	
	2001	2000
	£	£
Gross obligations repayable:		
Within one year	3,459	3,458
Between one and five years	1,806	4,428
	5,265	7,886
Finance charges repayable:		
Within one year	720	720
Between one and five years	604	488
	1,324	1,208
Net obligations repayable:		
Within one year	2,739	2,738
Between one and five years	1,202	3,940
	3,941	6,678

16. PROVISIONS FOR LIABILITIES AND CHARGES

GROUP

The amount for which no provision has been made in respect of deferred taxation, is a follows:

	2001	2000
	£	£
Revaluation of investment properties	73,500	60,500

No provision has been made for the potential tax liability as it relates to properties which the directors intend retaining.

COMPANY	2001	2000
	£	£
Short term timing differences	206,786	281,786

	Deferred taxation
ACCRUED INTEREST	£
Balance at 1 May 2000	281,786
Reduction in year	(75,000)
Balance at 30 April 2001	206,786

17. OBLIGATIONS UNDER LEASING AGREEMENTS

GROUP

The following payments are committed to be paid within one year:

	Land and Buildings Operating Leases	
	2001	2000
	£	£
Expiring:		
Between one and five years	3,000	3,000

The company had no obligations under leasing agreements at 30 April 2001 or 30 April 2000.

18. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2001 £	2000 £
156,602	Ordinary	£1	156,602	156,602

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2001 £	2000 £
139,711	Ordinary	£1	139,711	139,711

19. OTHER RESERVES

GROUP

	Revaluation reserve	Capital redemption reserve	Total
At 1 May 2000	1,167,878	16,891	1,184,769
Surplus on revaluation in the year	156,860	-	156,860
Realised profit transferred to profit and loss account	(83,978)	-	(83,978)
At 30 April 2001	1,240,760	16,891	1,257,651

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

GROUP

	2001 £	2000 £
Profit for the financial year	846,079	1,408,820
Dividends	(139,711)	(500,165)
Surplus on revaluation of investment properties	156,860	195,756
Reduction on disposal of subsidiaries	-	3,753
Profits realised on disposal of property	-	29,490
NET ADDITION TO SHAREHOLDERS' FUNDS	863,228	1,137,654
Opening shareholders' funds	14,676,603	13,538,949
CLOSING SHAREHOLDERS' FUNDS	15,539,831	14,676,603
Equity interests	15,539,831	14,676,603

COMPANY

	2001 £	2000 £
Loss for the financial year	(185,328)	(188,293)
Dividends	(139,711)	(500,165)
NET REDUCTION OF SHAREHOLDERS' FUNDS	(325,039)	(688,458)
Opening shareholders' funds	10,702,501	11,390,959
CLOSING SHAREHOLDERS' FUNDS	10,377,462	10,702,501
Equity interests	10,377,462	10,702,501

21. CONTROLLING PARTY

The company is controlled by and a wholly owned subsidiary of Heaton Consolidated Property Holdings Limited, a company registered in England and Wales. Accounts for that company are available from Heaton House, Cams Estate, Fareham, Hampshire.

22. PROFIT AND LOSS ACCOUNT

In accordance with the exemption allowed by Section 230 of the Companies Act 1985, the holding company has not presented its own profit and loss account. The loss for the year ended 30 April 2001 was £185,328 (2000: £188,293).

23. RELATED PARTY DISCLOSURE

Included in debtors at the year end are amounts due to the company from Strand Harbour Developments Limited totalling £4,569 (2000: £NIL). S J H Waring is a director of that company.