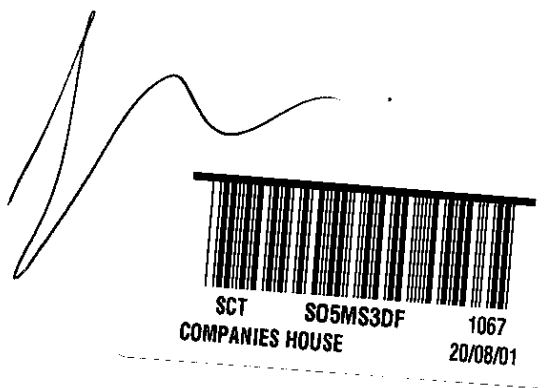


patrick h docherty ma
~ tax practitioner ~

good news
(Dunfermline) Ltd

168501

financial statements
for the year ending 30/8/00



~ page 1 ~

Good News (Dunfermline) Ltd.

Directors' Report for the year ended 31st August, 2000

Principal Activity

The Company's principal activity is the leasing of its investment property.

Directors and their interests

The directors who served during the year and their beneficial interests in the Company's issued share capital are as stated:-

	Ordinary Shares	
	at 31.8.00	at 1.9.99
Mohammed Ramzan	11,500	11,500
Naseem Ramzan	11,500	11,500

Directors' Responsibilities

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the affairs of the Company, and of the profit or loss of the Company for that year. In preparing those financial statements the directors are required to:

- select and consistently apply suitable accounting policies;
- make judgments 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 & detection of fraud and other irregularities.

Small Company Exemptions

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 17th August, 2001, and signed on its behalf by

 17.8.01.
Mohammed Ramzan
Company Secretary

Good News (Dunfermline) Ltd

**Accountant's Report on the unaudited financial statements
to the directors of Good News (Dunfermline) Ltd.**

As described on the Balance Sheet you are responsible for the preparation of the financial statements for the year ended 31.8.00 set out on pages 4 to 11 and you consider that the Company is exempt from an audit. In accordance with your instructions, I have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to me.

**P H Docherty, MA.,
17, Donibristle Gardens,
Dalgety Bay, Fife.
17.8.00**

Good News (Dunfermline) Ltd

Profit & Loss Account for the Year ended on 31/8/00

	2000	1999
Turnover	26785	20180
Administrative Expenses	<u>-6645</u>	<u>-9874</u>
Operating profit	20141	10306
Interest receivable and similar income	136	1905
Interest payable and similar charges	651	<u>-5151</u>
Profit on ordinary activities before taxation	19625	7060
Tax on profit on ordinary activities	4464	-9978
retained loss/profit for the year	15162	-2918
accumulated loss brought forward	-14610	-11692
accumulated profit/loss carried forward	552	-14610
Statement of Total Recognised Gains and Losses		
for the year ended 31/8/2000		
Loss/profit on ordinary activities after taxation	15162	-2918
unrealised surplus on revaluation		<u>34970</u>
total recognised gains relating to the year	<u>15162</u>	<u>32052</u>

The notes on pages 7 to 11 form an integral part of these financial statements

Good News (Dunfermline) Ltd		2000	1999	
<i>Balance Sheet.</i>				
Fixed Assets		122688	128457	
Current Assets				
Debtors	2788		43515	
Cash at Bank and on hand	39830		<u>2421</u>	
Shares	<u>3605</u>			
	46224		45936	
Current Liabilities				
Creditors: Amounts falling due within one year	8134		20389	
Net Current Assets		<u>38090</u>	25547	64993
total Assets less current liabilities		160778	154004	
Creditors: amounts falling due after more than one year		0	3708	
accruals & deferred income		102256	106936	
net Assets		58522	43360	
Capital & Reserves		57970	23000	
Other reserves			34970	
Profit and loss account		<u>552</u>	<u>-14610</u>	
Shareholder's funds		58522	43360	

The notes on pages 7 to 11 form an integral part of these financial statements

Good News (Dunfermline) Ltd.

Balance Sheet (continued)

**Directors' statements required by Section 249b(4)
for the year ended 31.8.00**

In approving these financial statements as directors of the Company we hereby confirm:

- (a) that for the year stated above the Company was entitled to the exemption conferred by Section 249a(1) of the Companies Act 1985;
- (b) that no notice has been deposited at the registered office of the Company pursuant to Section 249b(2) requesting that an audit be conducted for the year ended 31.8.00 and
- (c) we acknowledge our responsibilities for:
 - (1) ensuring that the Company keeps accounting records that comply with Section 221, and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the Company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board and signed on its behalf by

 17.8.01.
Mohammed Ramzan
Director

The Notes on Pages 7 to 11 form an integral part of these financial statements.

Good News (Dunfermline) Ltd

Notes to the financial statements for the year ended on 31.8.00

1. Accounting Policies

1.1 Accounting convention:

The financial statements are prepared under the 'historical cost' convention, except that investment property is shown at its revalued amount.

The Company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2 Turnover

Turnover represents rental income received, lease premium amortised, and gains made on shares during the year.

1.3 Tangible Fixed Assets & Depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life:-

Investment Property:	Nil
Shares:	Nil
Fixtures & Fittings	15% Reducing Balance

Investment Property

In accordance with the Statement of Standard Accounting Practice no 19, the Company's investment property is held for long term investment, and is included in the Balance Sheet at its open market value. Depreciation is not provided in respect of investment property.

1.4 Leasing and Hire Purchase Commitments.

Assets obtained under Hire Purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease terms and their useful lives. Obligations under such agreements are included in the creditors net of the finance charge allocated to future profits. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.5 Deferred Taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

1.6 Deferred income

Premiums received in respect of the leased property are credited to deferred revenue and are released to the profit and loss account over the term of the lease.

1.7 Turnover

The Total Turnover of the Company for the year has been derived from its principal activity and from shares bought and sold, both wholly within the UK.

Good News (Dunfermline) Ltd**Notes to the Financial Statements
for the year ended 31/8/00**

	2000	1999
3. Operating profit		
operating profit is stated after charging:		
depreciation of tangible Assets	5769	6799
Accountancy	400	1806
4: Taxation		
UK current year taxation		
UK Corporation Tax	4464	
Prior years' Taxation	<u>9978</u>	<u>9978</u>
	<u>14442</u>	<u>9978</u>

5: Tangible Fixed Assets

	Shares	Investment property	Fittings & Equipment	Total
cost/revaluation				
at 1 Sep., 1999		90000	59070	149070
revaluation				
depreciation at 1/9/99			20613	20613
charge for period			5769	5769
at 31/8/00			26382	26382
net book values				
at 31/8/00	0	90000	32688	122688
at 31/8/99	0	90000	38457	128457

The historical cost of the property was £55030 (1998); in the Director's opinion the current open market value of the property is £90000.

Good News (Dunfermline) Ltd**Notes to the Financial Statements
for the year ended 31/8/00**

Included above are assets held under finance leases or hire purchase contracts :-

Asset Description	2000		1999	
	net book value	depreciation charge	net book value	depreciation charge
Fittings & Equipment	18250	2738	22160	3910

6 Debtors	2000	1999
other debtors	2788	43515

**7 Creditors: amount falling due
within one year**

net obligations under finance lease and hire purchase contracts	3670	8415
corporation tax	4464	9874
accruals and deferred income		<u>2100</u>
	<u>8134</u>	<u>20389</u>

Good News (Dunfermline) Ltd**Notes to the Financial Statements
for the year ended 31/8/00****2000****1999****8: Creditors: Amounts falling due
after more than one year**03708Net Obligations under Finance leases
and hire purchase contracts

Repayable within one year

3670

8415

Repayable between one and five years

03708367012123**9: Accruals and deferred income**

lease premium received

106936

111616

released in year

46804680102256106936**10: Share Capital****Authorised equity****2000****1999**

500.000 Ordinary Shares of £1 each

500,000

500,000

Alloted, called up and fully paid equity

23.000 Ordinary Shares of £1 each

23,000

23,000

Good News (Dunfermline) Ltd**Notes to the Financial Statements
for the year ended 31/8/00**

11 Equity Reserves	profit and loss Account	Investment Property Reserve
At 1/9/99	-14610	34970
loss/profit for the year	15162	
revaluations for the year		
At 31/8/00	<u>552</u>	<u>34970</u>

12 Reconciliation of Movements in Shareholders' Funds

	2000	1999
loss/profit for the year	15162	-2918
other recognised gains or losses	0	<u>34970</u>
net addition to Shareholders' Funds	15162	32052
opening Shareholders' Funds	<u>43360</u>	<u>11308</u>
	58522	43360

Analysis of Shareholders' funds:

Equity	0	<u>58522</u>	<u>43360</u>
--------	---	--------------	--------------

13 Contingent Liabilities

The Company has given an unlimited guarantee in respect of amounts due to the bank by a related business, Good News Dunfermline

14 Transactions with Directors

The following Director had an interest free loan during the year. The movements on the loan were:-

	Amounts owed	
	2000	1999
Mohammed Ramzan	2788	32215