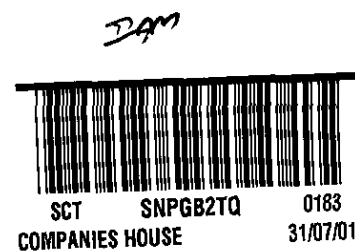


MMN LIMITED
ANNUAL REPORT
YEAR ENDED 30 SEPTEMBER 2000

PKF



MMN LIMITED

COMPANY INFORMATION

Director	M M Naama
Secretary	Secretar Securities Limited
Company Number	SC189313
Registered Office	4-6 South Bridge Edinburgh EH1 1LL
Accountants	PKF 17 Rothesay Place Edinburgh EH3 7SQ
Bankers	Lloyds TSB 15 Brown Street Glasgow G2 8PE

MMN LIMITED

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MMN LIMITED
DIRECTOR'S REPORT
YEAR ENDED 30 SEPTEMBER 2000

The director submits his report and the financial statements for the year ended 30 September 2000.

Principal activity

The principal activity of the company during the year was operating a restaurant bar. In October 2000 the restaurant bar operations ceased and the main activity of the company became property rental and development.

Directors

The director who served during the year and his interests in the company's issued share capital at the balance sheet date and at the start of the year were:

	Ordinary £1 shares	
	2000	1999
M M Naama	143,001	143,001

Basis of preparation

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

By order of the board

31.07.01 **M M Naama**
Director

M. M. Naama


**ACCOUNTANTS' REPORT ON THE UNAUDITED FINANCIAL
STATEMENTS TO THE DIRECTOR OF
MMN LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 30 September 2000 and you consider that the company is exempt from audit under section 249A(1) of the Companies Act 1985. In accordance with your instructions we have prepared these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



PKF

Edinburgh

MMN LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 SEPTEMBER 2000

	Notes	2000 £	1999 £
TURNOVER	2	283,253	70,499
Cost of sales		<u>(74,727)</u>	<u>(22,041)</u>
GROSS PROFIT		208,526	48,458
Administrative expenses		(306,560)	(69,828)
Other operating income		<u>68,800</u>	<u>30,300</u>
OPERATING (LOSS)/PROFIT	3	(29,234)	8,930
Interest payable and similar items		<u>(930)</u>	<u>(389)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(30,164)	8,541
TAXATION		<u>-</u>	<u>(1,758)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(30,164)</u>	<u>6,783</u>

MMN LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 30 SEPTEMBER 2000

	2000 £	1999 £
(Loss)/profit for the financial year	(30,164)	6,783
Unrealised gain on revaluation of investments	9,234	-
Total recognised gains and losses relating to the year	<u><u>(20,930)</u></u>	<u><u>6,783</u></u>

MMN LIMITED
BALANCE SHEET
30 SEPTEMBER 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Intangible	5	-	30,096
Tangible	6	2,863	172,263
Investments	7	208,000	-
		<u>210,863</u>	<u>202,359</u>
CURRENT ASSETS			
Stocks		4,000	2,500
Debtors	8	9,580	6,950
Cash at bank and in hand		108,338	3,607
		<u>121,918</u>	<u>13,057</u>
CREDITORS: amounts falling due within one year	9	<u>(203,927)</u>	<u>(59,832)</u>
NET CURRENT LIABILITIES		<u>(82,009)</u>	<u>(46,775)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>128,854</u>	<u>155,584</u>
CREDITORS: amounts falling due after more than one year	10	<u>-</u>	<u>(5,800)</u>
NET ASSETS		<u><u>128,854</u></u>	<u><u>149,784</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	143,001	143,001
Revaluation reserve		9,234	-
Profit and loss account	12	(23,381)	6,783
		<u>128,854</u>	<u>149,784</u>

The company is entitled to the exemption from audit conferred by subsection 1 of section 249A of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts in accordance with subsection 2 of section 249B of the Act.

The director acknowledges his responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Act relating to small companies.

The financial statements were approved by the board on

31 - 07 - 2001

Signed on behalf of the board of directors

Director

M. M. MAMA



MMN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2000

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of (enter description of revalued assets here) and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

(b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

(c) Intangible fixed assets

Intangible fixed assets represented goodwill arising on acquisition of the business. The value of this asset is transferred to investment properties.

(d) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & fittings	15 % straight line
Motor vehicles	25 % reducing balance

(e) Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and are not depreciated. This treatment is contrary to the Companies Act 1985 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

(f) Stocks

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

2 TURNOVER

All turnover arose within the United Kingdom.

3 OPERATING (LOSS)/PROFIT

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

	2000	1999
	£	£
Amortisation of intangible assets	-	1,305
Depreciation of tangible fixed assets:		
- owned by the company	730	2,384
	<u>730</u>	<u>2,384</u>

MMN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2000

4 DIRECTOR'S EMOLUMENTS AND BENEFITS

	2000 £	1999 £
Aggregate of director's emoluments and other benefits as defined in paragraph 1 of Schedule 6 to the Companies Act 1985	25,000	-
	<u>25,000</u>	<u>-</u>

No directors (1999 - none) were members of company pension schemes.

5 INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 October 1999	31,401
Transfer to investments	(31,401)
	<u>-</u>
At 30 September 2000	-
	<u>-</u>
Amortisation	
At 1 October 1999	1,305
Transfer to investments	(1,305)
	<u>-</u>
At 30 September 2000	-
	<u>-</u>
Net book amount	
At 30 September 2000	-
	<u>-</u>
At 30 September 1999	<u>30,096</u>
	<u>30,096</u>

MMN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2000

6 TANGIBLE FIXED ASSETS

	Leasehold property & improvements £	Plant & machinery fixtures & fittings £	Motor vehicles £	Total £
Cost				
At 1 October 1999	170,729	2,000	1,918	174,647
Transfer to investments	(170,729)	-	-	(170,729)
At 30 September 2000	-	2,000	1,918	3,918
Depreciation				
At 1 October 1999	2,059	125	200	2,384
Charge for year	-	300	430	730
Transfer to investments	(2,059)	-	-	(2,059)
At 30 September 2000	-	425	630	1,055
Net book amount				
At 30 September 2000	-	1,575	1,288	2,863
At 30 September 1999	168,670	1,875	1,718	172,263

7 FIXED ASSET INVESTMENTS

	Investment properties £
Cost or valuation	
At 1 October 1999	-
Transfer from goodwill	30,096
Transfers from assets	168,670
Revaluations	9,234
At 30 September 2000	208,000

Investment properties are valued at open market value by the director.

8 DEBTORS

	2000 £	1999 £
Other debtors	9,580	6,950

MMN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2000

9 CREDITORS:

Amounts falling due within one year

	2000	1999
	£	£
Bank loan and overdraft	8,884	7,500
Trade creditors	256	5,168
Corporation tax	-	1,758
Other tax and social security	18,878	14,051
Other creditors	175,909	31,355
	<u>203,927</u>	<u>59,832</u>

10 CREDITORS:

Amounts falling due after more than one year

	2000	1999
	£	£
Bank loan	-	5,800
	<u>-</u>	<u>5,800</u>

11 SHARE CAPITAL

	Authorised	Allotted, called up and fully paid	
	£	No.	£
At 1 October 1999 and 30 September 2000			
Ordinary shares of £1 each	250,000	143,001	143,001
	<u>250,000</u>	<u>143,001</u>	<u>143,001</u>

12 RESERVES

Revaluation reserve	£
At 1 October 1999	-
Revaluation during the year	9,234
	<u>9,234</u>
At 30 September 2000	<u>9,234</u>
Profit and loss account	£
At 1 October 1999	6,783
Loss for the year	(30,164)
	<u>(23,381)</u>
At 30 September 2000	<u>(23,381)</u>

MMN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2000

13 TRANSACTIONS WITH RELATED PARTIES

A loan of £6,000 to Al Barakh Limited, a company in which M M Naama is also a director, was included in other debtors. This loan was written off during the year as that company is being wound up and has no funds.

Included in other creditors is a loan from M M Naama, director, in the sum of **£22,065** (1999 £3,999).

14 PARENT UNDERTAKINGS AND CONTROLLING PARTIES

The company is controlled by M M Naama, the director.