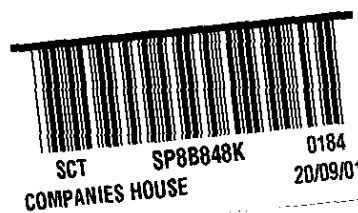


ADENSTONE LIMITED

STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED
30TH NOVEMBER 2000



Lesley MacDonald
Chartered Accountant
12 Allardice Street
Stonehaven
AB39 2BQ

ADENSTONE LIMITED

REPORT OF THE DIRECTORS

FINANCIAL STATEMENTS

The director submits his report and the company's accounts for the year ended 30th November 2000.

STATEMENT OF DIRECTORS RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial period, which give a true and fair view of the state of the affairs of the company and of the profit and loss for that period. In preparing these financial statements, the director is required to -

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the on going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He 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.

PRINCIPAL ACTIVITY

The principal activity of the company is pawnbroking and sale of goods.

DIRECTOR

The directors set out in the table below and their interests in the shares of the company were as follows:-

	Ordinary Shares of £1 Each	
	30.11.00	04.11.99
B. McRobb	2	2

The director has prepared his report in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Approved by the Director and signed on.



B. McRobb
Director

ADENSTONE LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30th NOVEMBER 2000**

	Note	2000 £	1999 £
TURNOVER	1	381,069	70,173
Cost of Sales		<u>235,819</u>	<u>49,630</u>
GROSS PROFIT		145,250	20,533
Administration Costs		<u>188,621</u>	<u>72,711</u>
OPERATING LOSS		(43,371)	(52,178)
Interest Payable		7,656	1,524
Interest Receivable		<u>(29)</u>	<u>(514)</u>
		<u>7,627</u>	<u>1,014</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(50,998)	(53,192)
Tax on Profit on Ordinary Activities		—	—
RETAINED LOSS FOR FINANCIAL YEAR		£ <u>(50,998)</u>	£ <u>(53,192)</u>

ADENSTONE LIMITED**BALANCE SHEET AS AT 30th NOVEMBER 2000**

	Notes	2000 £	1999 £
FIXED ASSETS		90,408	91,533
CURRENT ASSETS			
Stocks		51,849	34,655
Debtors	4	125	13,378
Cash at Bank and in Hand		<u>7,121</u>	<u>6,724</u>
		59,095	54,757
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	5	<u>19,247</u>	<u>10,343</u>
NET CURRENT ASSETS		<u>39,848</u>	<u>44,414</u>
TOTAL ASSETS LESS LESS CURRENT LIABILITIES		130,256	135,947
LONG TERM LIABILITIES			
Term Loan		90,000	90,000
Directors Loan Account		<u>144,444</u>	<u>99,137</u>
		<u>234,444</u>	<u>189,137</u>
NET LIABILITIES		£ <u>(104,188)</u>	£ <u>(53,190)</u>
CAPITAL AND RESERVES			
Called up Share Capital	6	2	2
Profit and Loss Account		<u>(104,190)</u>	<u>(53,192)</u>
SHAREHOLDERS FUNDS		£ <u>(104,188)</u>	£ <u>(53,190)</u>

ADENSTONE LIMITED

BALANCE SHEET CONTINUED
AS AT 30th NOVEMBER 2000

AUDIT EXEMPTION STATEMENT

For the period ended 30th November 2000 the company was entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985.

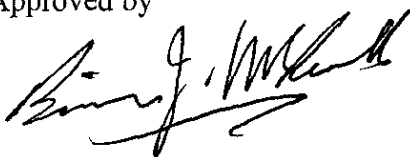
No notice has been deposited with the company under section 249B(2) of that Act requiring an audit to be carried out.

The director acknowledges his responsibility for:

- a) ensuring that the company keeps accounting records in accordance with section 221 of the Companies Act 1985: and
- b) preparing accounts 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 financial year in accordance with the requirements of section 226 of the Companies Act 1985 and which otherwise comply with the accounting requirements of that Act relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the special provision of part VII of the Companies Act 1985, and Financial Reporting Standards For Smaller Entities relating to small companies.

Approved by

A handwritten signature in black ink, appearing to read 'B. McRobb', with a stylized flourish at the end.

B. McRobb
Director

ADENSTONE LIMITED

NOTES ACCOUNTS

FOR THE YEAR ENDED 30th NOVEMBER 2000

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical convention and in accordance with the Financial Reporting Standard For Smaller Entities. The financial statements have been prepared on a going concern basis and the directors will continue to provide funds to meet the company liabilities.

b) Turnover

Turnover comprises net income from pawnbroking and sale of goods.

c) Depreciation

Depreciation is calculated to write off the cost of revalued amount less estimated residual value of fixed assets on a straight line basis over their estimated useful lives.

d) Deferred taxation

Deferred taxation is provided on the liability method unless it can be reasonably demonstrated that no liability will arise in the foreseeable future.

e) Stocks

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

2. SEGMENTAL INFORMATION

The company operates in the UK and the whole of its turnover is to the UK market.

3. FIXED ASSETS

	Franchise	Property Improvements	Equipment	Total
Cost	£	£	£	£
At 1 st October 1999	17,777	66,256	8,037	92,070
Additions in Year	—	—	—	—
At 30 th November 2000	£ <u>17,777</u>	£ <u>66,256</u>	£ <u>8,037</u>	£ <u>92,070</u>
Depreciation				
At 1 st October 1999	-	-	537	537
Charge for Year	—	—	<u>1,125</u>	<u>537</u>
At 30 th November 2000	£ —	£ —	£ <u>1,662</u>	£ <u>1,662</u>
Net Book Value at 30.11.2000	£ <u>17,777</u>	£ <u>66,256</u>	£ <u>6,375</u>	£ <u>90,408</u>
Net Book Value at 30.11.1999	£ <u>17,777</u>	£ <u>66,256</u>	£ <u>7,500</u>	£ <u>91,533</u>

4. DEBTORS

	2000 £	1999 £
Due from Cash Converters	125	2,358
VAT	-	6,020
Prepayment	—	<u>5,000</u>
	£ <u>125</u>	£ <u>13,378</u>

ADENSTONE LIMITED

NOTES ACCOUNTS

FOR THE YEAR ENDED 30th NOVEMBER 2000

5. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2000	1999
	£	£
Bank Overdraft	14,869	8,101
Trade Creditors	-	242
Accruals	400	810
VAT	2,794	-
PAYE Creditor	<u>1,184</u>	<u>1,190</u>
	<u>£ 19,247</u>	<u>£ 10,343</u>

6. CALLED UP SHARE CAPITAL

	2000	1999
Authorised		
Ordinary Shares of £ Each	£ <u>1,000</u>	£ <u>1,000</u>
Allotted and Fully Paid		
Ordinary Shares of £ Each	£ <u>2</u>	£ <u>2</u>

ADENSTONE LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30th NOVEMBER 2000**

	2000		1999	
SALES	£	£	£	£
Trade Sales		20,603		5,288
Second Hand Goods		227,788		43,759
Cheque Cashing Commission		17,510		3,102
Buy Backs Repaid		53,786		4,294
Buy Back Interest		16,836		1,499
Lay by's		64,648		14,721
PLS		<u>699</u>		<u>-</u>
		401,870		73,293
Less: Refunds and Refunded Cheques		<u>(20,801)</u>		<u>(3,130)</u>
		381,069		70,163
COST OF SALES				
Second Hand Goods	117,187		40,994	
Buy Backs	95,175		8,636	
Purchases	17,766		-	
Cheque Cashing Fees	<u>5,691</u>		<u>-</u>	
		<u>235,819</u>		<u>49,630</u>
GROSS PROFIT		145,250		20,533
OVERHEADS				
Directors Remuneration	10,000		-	
Wages	60,552		22,386	
Rent	30,000		14,500	
Rates	16,766		4,281	
Advertising	18,935		6,070	
Legal Fees	964		5,084	
Insurance	9,415		3,789	
Training	16		2,130	
Motor and Travel	146		2,040	
Stationary	1,039		1,859	
Loan and Bank Interest	7,656		1,524	
Bank Charges	6,569		1,546	
Repairs	449		1,261	
Franchise Fees	27,875		2,000	
Cleaning Materials	42		1,299	
Heat and Light	2,020		1,504	
Telephone	799		946	
Depreciation	1,125		537	
Licences	130		467	
General Expenses	693		298	
Publications	219		214	
Formation	-		125	
Accountancy	400		375	
Computer Lease	<u>467</u>		<u>-</u>	
		<u>196,277</u>		<u>74,235</u>
OPERATING LOSS		(51,027)		(53,702)
Interest Received		<u>29</u>		<u>510</u>
NET LOSS FOR PERIOD		£ <u>(50,998)</u>		£ <u>(53,192)</u>