

PACHARLOHA LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD
TO 31 MARCH 2002

Company Registration Number 210113

FRENCH  DUNCAN
CHARTERED ACCOUNTANTS



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FINANCIAL STATEMENTS
FOR THE PERIOD
TO 31 MARCH 2002

Company Registration Number 210113

FRENCH DUNCAN
Chartered Accountants & Registered Auditors
375 West George Street
Glasgow
G2 4LH

PACHARLOHA LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

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PACHARLOHA LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	P.C.L. Harrison
Company secretary	Strathclyde Consultants Limited
Registered office	375 West George Street Glasgow G2 4LW
Auditors	French Duncan Chartered Accountants & Registered Auditors 375 West George Street Glasgow G2 4LW
Solicitors	McGrigor Donald 70 Wellington Street Glasgow G2 6SB

PACHARLOHA LIMITED**THE DIRECTOR'S REPORT****YEAR ENDED 31 MARCH 2002**

The director has pleasure in presenting his report and the financial statements of the company for the year to 31 March 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the period was to carry on business as a general commercial company. The company is dormant and has not traded during the year.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The director who served the company during the period together with his beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2002	At 31 March 2001
P.C.L. Harrison	<u>47,218</u>	<u>47,218</u>

DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the period and of the profit or loss for the period then ended.

In preparing those financial statements, the director is required to select suitable accounting policies, as described on page 5, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The director must also prepare the financial statements on the 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 him to ensure that the financial statements comply with the Companies Act 1985. The director is 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

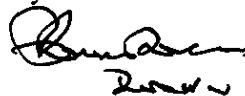
A resolution to re-appoint French Duncan as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY PROVISIONS

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

Registered office:
375 West George Street
Glasgow
G2 4LW

Signed by order of the director



STRATHCLYDE CONSULTANTS LTD
Company Secretary

Approved by the director on 5 December 2002

PACHARLOHA LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 MARCH 2002

We have audited the financial statements on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITORS

As described on page 2, the Company's Director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility 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 Director's 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 Director's remuneration and transactions with the Company is not disclosed.

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

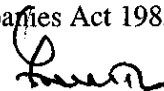
BASIS OF AUDIT OPINION

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 misstatements, whether caused by fraud or other irregularity of 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 as at 31 March 2002 and have been properly prepared in accordance with the Companies Act 1985.



FRENCH DUNCAN
Chartered Accountants &
Registered Auditor

375 West George Street
GLASGOW
G2 4LW

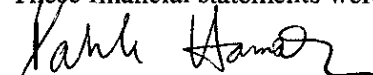
5 December 2002

PACHARLOHA LIMITED**BALANCE SHEET****31 MARCH 2001**

	Notes	2002	2001
FIXED ASSETS			
Investments	2	47,218	47,218
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>47,218</u>	<u>47,218</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	47,218	47,218
SHAREHOLDERS' FUNDS		<u>47,218</u>	<u>47,218</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved and signed by the director on 5 December 2002.


P.C.L. HARRISON



PACHARLOHA LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 MARCH 2002****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Consolidation

In the opinion of the director, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

2. FIXED ASSET INVESTMENTS

	2002 £	2001 £
COST		
As at 31 March 2001 and 2002	<u>47,218</u>	<u>47,218</u>
NET BOOK VALUE		
At 31 March 2001 and 2002	<u>47,218</u>	<u>47,218</u>

The company has the following subsidiary company:

	Holding	Proportion	Incorporated	Nature of Business
Pacharlo Ltd	Ord Shares	100%	Scotland	General commercial company

During the year to 31 March 2002, Pacharlo Limited made a profit of £7,302 (2001 - £20,681) and at the end of the year the aggregate of its capital and reserves was £460,171 (2001 - £452,869).

3. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

4. SHARE CAPITAL**Authorised share capital:**

	2002 £	2001 £
47,218 Ordinary shares of £1.00 each	<u>47,218</u>	<u>47,218</u>

Allotted, called up and fully paid:

	2002 £	2001 £
Issue of ordinary shares during the period	<u>47,218</u>	<u>47,218</u>

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PACHARLOHA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2002

5. DORMANT STATUS

The company was dormant (within the meaning of section 250 of the Companies Act 1985) throughout the year ended 31 March 2002. The company has not traded during the period. During this period, the company received no income and incurred no expenditure and therefore made neither profit or loss.

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