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MAH plc

**Annual Report
31 December 2000**



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CONTENTS

	Pages
Chairman's Statement	1 - 2
Report of the Directors	3
Statement of Directors' Responsibilities	4
Report of the Independent Auditors	5
Group Profit and Loss Account	6
Group Balance Sheet	7
Balance Sheet	8
Group Cash Flow Statement	9
Notes to the Financial Statements	10 - 15
Notice of Annual General Meeting	16 - 17

CHAIRMAN'S STATEMENT

After a positive first half year, the value of our investments declined somewhat during the second six months as the financial markets generally, and technology sector particularly, suffered some significant reverses.

During the period, we made two additional investments at a total cost of £787,500. At the time of writing, MAH has invested £4.49m, representing 92% of funds available. A summary of the investments is shown below.

Micro Quoted Growth Trust plc

Micro Quoted is now fully invested. The Trust has had a difficult year as several of its investments have suffered along with the financial markets. The Investment Manager feels that the portfolio offers significant upside potential that we hope will be reflected in the valuation when the markets recover from their present depressed state. Micro Quoted shares are currently trading at 90p. with a net asset value of 99p. Net asset value declined by 12% in the year to the end of December, slightly better than the FTSE All Shares Index which fell by 14% in the same period. As I mention later, your Board is currently examining what the long-term relationship with Micro Quoted should be. MAH currently owns 48% of Micro Quoted.

At 31 December 2000, MAH owned 3,000,000 ordinary shares representing 48% of the issued ordinary share capital of Micro Quoted. The capital and reserves of Micro Quoted at 29 February 2000 (the date of its most recent published accounts) amounted to £8,223,000 and its total return after tax for the year ended on that date amounted to £2,927,000.

Chelverton Asset Management Limited ("CAM")

CAM is an IMRO-registered fund manager and has a management agreement with Micro Quoted and also an advisory agreement with MAH in respect of unquoted investment opportunities. CAM continues to make excellent progress and at 31 December 2000 had £37m funds under management. CAM is due to pay its first dividend of 40p per share, representing £5,000 to MAH. We have maintained our valuation at £350,000. This compares to the £12,500 initially invested.

At 31 December 2000, MAH owned 12,500 ordinary shares representing 25% of the issued ordinary share capital of CAM. The capital and reserves of CAM at 30 November 2000 (the date of its most recent published accounts) amounted to £97,871 and its profit after tax for the year ended on that date amounted to £47,871.

Murray Financial Corporation Plc

The performance of this investment continues to be disappointing. Murray's objective of acquiring small building societies has proved unsuccessful, although the Company continues to pursue this strategy. The decision to develop an Internet bank, with hindsight, appears ill timed and the venture has been halted. Murray launched its insurance broking activities in late November trading as 'Insurancevillage'. The company is clearly struggling to implement its initial strategy and recent dealings in its shares suggest that pressure is being brought to bear on the management to perform.

Assurity Group

Assurity provides back-up computer facilities to businesses in the event of systems becoming unavailable due to physical loss or serious malfunction. Some internal issues have adversely impacted development of the business during the year. We believe that these have now been resolved and that the fundamentals of the business and market place in which it operates remain positive. MAH has invested a further £287,500 in two tranches, £187,500 in May 2000 and £100,000 in May 2001. Under the leadership of a new Managing Director, the business is expected to reach a break-even position during 2001. Assurity should prove to be a good investment for MAH and, with a more coherent management structure now put in place, the Board believes further shareholder value will be created.

At 31 December 2000, MAH owned 168,750 ordinary shares representing 26% of the issued ordinary share capital of Assurity (Holdings) Limited. The capital and reserves of Assurity (Holdings) Limited at 30 September 1999 (the date of its most recent published accounts) amounted to £595,959 and its profit after tax for the year ended on that date amounted to £129.

Wineworld London Plc

The Company trades as Vinopolis and operates a wine related entertainment venture on the South Bank of the Thames, near London Bridge. After a difficult first year of trading, the business has gone through a period of re-definition and rationalisation. The major shareholder has taken on an executive role and has brought his significant skills to bear on running the business. The emphasis of the operation has changed from a "wine tour" to one of corporate hospitality and restaurant operations. Costs have been rationalised and the business has been cash flow positive for some months. Early in the year, MAH agreed to convert its £175,000 of loan stock at a price of 25p per share.

This was a necessary restructuring in order to remove a large cash flow drain. As a result of the conversion, MAH own, in total, 1.6% of Wineworld. Your Board now feel it right to revalue the investment to 46p per share being MAH's original cost of investment.

Bizzbuild.com plc

The flotation of Bizzbuild on the Alternative Investment Market (AIM) in March 2000 was very close to the high point in technology stock valuations. The share price peaked at 317.5p valuing our initial £300,000 investment at £1.4m. In a 12 month period, sentiments have changed markedly. The shares were quoted at 21p on 31 December 2000, the carrying value in these accounts, and currently stand at 9.75p valuing our investment at £43,657. Clearly, this is a disappointment, although the underlying business continues to develop in a satisfactory manner. Bizzbuild recently announced the acquisition of two businesses in the direct retail industry for nominal sums. These complement its Value Direct operation and are evidence of the company's strategy to focus on and develop its affinity and direct retail operations.

Amtech Electronics

In April 2000, we invested £300,000 in Amtech. The Company manufactures products that provide protection to electronic devices from interference. Whilst the order book remains strong, the Company has experienced a number of setbacks. The first was the protracted and costly closure of a subsidiary Company in Israel, and the second is the continued difficulty in finding reliable manufacturing facilities for its product range.

The investors were called upon to provide additional funding in February 2001. MAH agreed to invest a further £100,000 but managed to extract a significant increase in ownership as a result. The net effect is the value of our investment (based upon the latest funding round) remains constant.

Financial Performance

The loss for the period before taxation was £52,760 (1999 profit of £494,478). After taxation, the loss was £52,760 (1999 profit of £424,823).

Dividends

It is not the Board's intention to recommend payment of a dividend in the foreseeable future.

Corporate Governance

The Company has had regard to the Combined Code on corporate governance applicable to listed companies.

Principal Activity

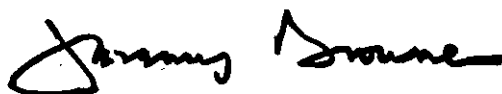
MAH makes investments in the small business sector.

Future Developments

As noted earlier, the board has spent a great deal of time considering how MAH should develop in the future given that the fund is almost fully invested and that the constraints imposed by various indemnities given on the sale of Acquanimiter have now passed. A major consideration has been the Company's relationship with Micro Quoted and how this should be structured in the future.

We have been able to make the following announcement to MAH shareholders: 'The Board of MAH plc ('MAH') confirms that it is in discussions with The Micro Quoted Growth Trust plc ('Micro Quoted'), in which it is the majority shareholder, which may or may not lead to the merger of the portfolios of the two companies to be effected by way of an all share offer by, or on behalf of, MAH for all the shares in Micro Quoted not already owned by MAH on the basis of formula asset value for Micro Quoted's shares. In the event of a successful offer, an application would be made for the shares in the capital of MAH, both issued and to be issued, to be admitted to the Official List and approval sought for MAH to be approved as an investment trust'.

At the time of writing, these discussions are continuing and I will provide you with further information when appropriate.



J.C. Browne
Chairman

1 June 2001

REPORT OF THE DIRECTORS

The directors are pleased to submit their report and the audited financial statements of MAH plc ('MAH') for the year ended 31 December 2000.

Review of business and future developments

The directors are pleased to report that MAH has achieved satisfactory progress within difficult market conditions in developing its investment portfolio of businesses operating in the small company sector.

A review of the development of the business and future plans is included in the Chairman's Statement on pages 1 and 2.

During the period, MAH shares have continued to trade on OFEX. A total of 696,883 shares have changed hands, representing 6.24% of the Company's share capital. The price has fluctuated between 42.5p and 74.5p during the period.

Results and Dividends

The loss for the year attributable to shareholders after taxation was £(52,760) (1999 profit of £424,823). The directors do not recommend payment of a dividend.

Share Capital

Details of the share capital are set out in note 11 to the financial statements.

Directors

The following people served as directors during the year. The interests of the directors at 31 December 2000 in the shares of the Company, according to the register of directors' interests, were as follows:

1p ordinary shares	Number 31.12.00	Number 31.12.00
K J Allen	221,762	221,762
J C Browne	291,460	291,460
R D Naylor	-	-
I P Martin	271,761	271,761
AJR Mackay	51,500	51,500

Substantial Shareholdings

At the date of this report, the directors have been advised of the following shareholdings of 3% or more in the Company's issued share capital:

	Number of Ordinary Shares	Percentage
M E Brockbank	2,189,427	19.6
G E Stevens	1,535,110	13.7
M M Brooks	1,312,500	11.8
Varykino Limited	413,285	3.7
Dohle		
Assekuranzkontor GMBH	368,177	3.3
R C Greig Nominees	354,783	3.2

As far as the directors are aware there are no other holdings of 3% or more of the issued share capital of the Company. The percentages calculated above are based on the Company's current issued and fully paid share capital of 11,167,426 shares.

Payment of Suppliers

It is the Company's payment policy to obtain the best possible terms for all business and therefore there is no consistent policy as to the terms used. The Company agrees with its suppliers the terms on which business will take place and it is our policy to abide by those terms. There were no amounts owed to suppliers in respect of invoices received but unpaid at 31 December 2000.

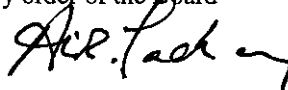
Charitable Donations

The Company made no charitable donations during the period.

Auditors

Mazars Neville Russell has expressed its willingness to continue in office as auditors and a resolution proposing their reappointment will be put to shareholders at the forthcoming Annual General Meeting.

By order of the Board



A J R Mackay

1 June 2001

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of its profit or loss 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;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; and
- 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 maintaining 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 Company's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE INDEPENDENT AUDITORS
TO THE SHAREHOLDERS OF MAH PLC**

We have audited the financial statements on pages 6 to 15 which have been prepared under the historical cost convention modified for the revaluation of fixed asset investments and the accounting policies set out in Note 1 on page 10.

Respective responsibilities of directors and auditors

As described on page 4, the Company's directors are responsible for the preparation of the 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. We also report to you if, in our opinion, the Directors' 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 directors' remuneration and transactions with the Company is not disclosed.

We read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. Our responsibilities do not extend to any other information.

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 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 affairs of the Group and the Company as at 31 December 2000 and of the loss of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



MAZARS NEVILLE RUSSELL
Chartered Accountants and Registered Auditors
24 Bevis Marks
LONDON EC3A 7NR

1 June 2001

MAH PLC

GROUP PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2000

	Note	2000 £	1999 as restated £
Commissions	2	-	23,000
Administrative expenses		(82,864)	(85,162)
Operating (Loss)		(82,864)	(62,162)
Dividend received		-	696,553
Interest receivable		30,104	60,087
Amount written off unlisted investment		-	(200,000)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(52,760)	494,478
Taxation on ordinary activities	6	-	(69,655)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(52,760)	424,823
(LOSS)/PROFIT FOR THE YEAR	12	£(52,760)	£424,823
Earnings per share	7	(0.47)p	3.80p
Diluted earnings per share	7	(0.45)p	3.64p

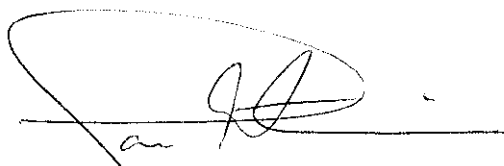
GROUP STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31 December 2000

	Note	2000 £	1999 as restated £
Unrealised (loss)/gain on investments	3	(352,478)	374,846
Taxation	6	46,276	(46,276)
(Loss)/profit on investments		(306,202)	328,570
(Loss)/profit for the year		(52,760)	424,823
TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR		£(358,962)	£753,393

The Company's turnover and expenses all relate to continuing operation.

MAH PLC**GROUP BALANCE SHEET
as at 31 December 2000**

	Note	2000 £	1999 as restated £
FIXED ASSETS			
Investments	8	4,489,172	4,054,150
		<u>4,489,172</u>	<u>4,054,150</u>
CURRENT ASSETS			
Debtors	9	-	19,209
Cash		358,100	1,181,139
		<u>358,100</u>	<u>1,200,348</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	10	(18,402)	(66,666)
NET CURRENT ASSETS		<u>339,698</u>	<u>1,133,682</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£4,828,870</u>	<u>£5,187,832</u>
CAPITAL AND RESERVES			
Called up share capital	11	111,674	111,674
Capital reserve	12	(198,226)	107,976
Profit and loss account	12	4,915,422	4,968,182
SHAREHOLDERS' FUNDS - equity	12	<u>£4,828,870</u>	<u>£5,187,832</u>



I.P. MARTIN
Director



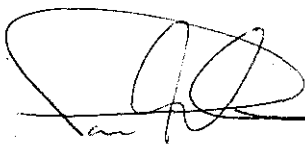
K.J. ALLEN
Director

1 June 2001

MAH PLC

BALANCE SHEET
as at 31 December 2000

	Note	2000 £	1999 restated £
FIXED ASSETS			
Investments	8	4,489,174	3,268,925
		4,489,174	3,268,925
CURRENT ASSETS			
Debtors	9	-	795,741
Cash		358,100	1,181,139
		358,100	1,976,880
CREDITORS			
AMOUNTS FALLING DUE WITHIN ONE YEAR	10	(18,404)	(66,666)
NET CURRENT ASSETS		339,696	1,910,214
TOTAL ASSETS LESS CURRENT LIABILITIES		£4,828,870	£5,179,139
CAPITAL AND RESERVES			
Called up share capital	11	111,674	111,674
Capital reserve	12	(170,935)	126,574
Profit and loss account	12	4,888,131	4,940,891
SHAREHOLDERS' FUNDS - equity	12	£4,828,870	£5,179,139



I.P. MARTIN
Director



K.J. ALLEN
Director

1 June 2001

GROUP CASH FLOW STATEMENT
for the year ended 31 December 2000

	Note	2000	1999
		£	£
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	13	(65,643)	(27,511)
RETURNS ON INVESTMENTS & SERVICING OF FINANCE			
Interest received	30,104	60,087	
Dividends received	-	696,553	
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		30,104	756,640
TAXATION			
UK Corporation Tax paid		-	(71,364)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Purchase of trading investments	(787,500)	(697,727)	
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		(787,500)	(697,727)
(DECREASE) IN CASH IN THE YEAR		£(823,039)	£(39,962)
RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN NET CASH/(DEBT)			
Movement resulting from cash flows		(823,039)	(39,962)
NET CASH AT 1 JANUARY 2000		1,181,139	1,221,101
NET CASH AT 31 DECEMBER 2000	14	£358,100	£1,181,139

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2000

1. Accounting Policies

- a) The financial statements are prepared under the historical cost convention modified for revaluation of fixed asset investments in accordance with applicable Financial Reporting Standards and Statements of Standard Accounting Practice.
- b) The consolidated accounts incorporate the accounts of the Company and its subsidiaries for the year ended 31 December 2000. Advantage has been taken of exemptions contained within S.230 Companies Act 1985 not to produce a profit and loss account of the parent company.
- c) Other income and expenses are dealt with on an accruals basis.
- d) Cash equivalents comprise bank balances and short term cash deposits.
- e) The investment in former subsidiary is stated at directors' valuation, less amounts written off. (Note 8).
- f) Dividends receivable in respect of preference shares held by the Company are accounted for on a receipts basis.
- g) Listed investments are stated at the mid market price prevailing at the balance sheet date.
- h) Unlisted investments are stated in accordance with the Directors' valuation as at the balance sheet date.
- i) Unrealised investment gains less unrealised losses are taken to a capital reserve. This represents a change in accounting policy and the 1999 comparatives have been restated accordingly. The effect of the change for the Group is that an unrealised loss of £306,202 (1999 – gain of £328,570) after taxation is presented in the Group Statement of Total Recognised Gains and Losses rather than in the Group Profit and Loss Account. The corresponding amount for the parent company is an unrealised loss of £297,509 (1999 – gain of £316,070). The Group Profit and Loss Account reserve at 1 January 1999 is increased by £220,594 (Parent company - £189,496) representing cumulative unrealised losses to that date.
- j) Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

2. Commissions	2000	1999
	£	£
Underwriting commission - Wineworld London plc	-	17,500
Facility fee - Assurity (Holdings) Limited	-	5,500
	<hr/>	<hr/>
	£nil	£23,000
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2000

3. Movement in Value of Fixed Asset Investments

Cost or Valuation	Group £	Company £
At 1 January 2000	4,054,150	3,268,925
Additions	787,500	787,500
Transfers from subsidiary	-	776,534
Revaluation	(352,478)	(343,785)
	<hr/>	<hr/>
As at 31 December 2000	£4,489,172	£4,489,174
	<hr/>	<hr/>

4. (Loss)/Profit on Ordinary Activities before Taxation

	2000 £	1999 £
(Loss)/Profit on ordinary activities before taxation is stated after charging:		
Directors' Emoluments (note 5)	30,000	30,000
Auditors' remuneration - audit services	11,519	8,838
- non-audit services	12,220	7,256

5. Directors' Emoluments

	2000 £	1999 £
Emoluments were paid as follows:		
K J Allen	5,000	5,000
J C Browne	7,500	7,500
A J R Mackay	7,500	7,500
I P Martin	5,000	5,000
Ruth D Naylor	5,000	5,000
	<hr/>	<hr/>
	£30,000	£30,000
	<hr/>	<hr/>

Social Security costs in the year amounted to £837 (1999 - £1,076). There were no employees other than the directors.

During the year there were the following number of directors:

	5	5
Accrued benefits under pension schemes	£nil	£nil
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2000

6. Taxation	2000 £	1999 £
Taxation of (Loss)/Profit on Ordinary Activities		
Franked investment income	£nil	£69,655
Deferred taxation on unrealised gains	£(46,276)	£46,276

Deferred taxation arose on unrealised gains in 1999. The provision was released due to aggregate unrealised losses in 2000.

7. Earnings per Share

The calculation of earnings per share is based on a loss of £(52,760) (1999 - profit of £424,823) and an average of 11,167,426 (1999 - 11,167,426) shares of 1p each in issue throughout the year. The diluted earnings per share reflects the full conversion of the ordinary shares issued under option (Note 11).

8. Fixed Asset Investments

Cost or valuation	Group 2000 £	Group 1999 £	Company 2000 £	Company 1999 £
Investment in former subsidiary	1,000,000	1,000,000	1,000,000	1,000,000
Less amount written off	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
<i>Listed</i>				
Micro Quoted Growth Trust plc	2,775,000	2,850,000	2,775,000	2,850,000
Murray Financial Corporation Plc	84,915	156,423	84,915	68,923
Bizzbuild.com	94,030	-	94,030	-
<i>Unlisted</i>				
Chelverton Asset Management Limited	350,000	350,000	350,000	350,000
Assurity (Holdings) Limited	356,250	168,750	356,250	-
Assurity Europe Limited	131,250	131,250	131,250	-
Wineworld London Plc	397,727	397,727	397,727	-
Amtech Electronics	300,000	-	300,000	-
Shares in subsidiary	-	-	2	2
	£4,489,172	£4,054,150	£4,489,174	£3,268,925
Historical costs of listed and unlisted investments	£4,699,898	£3,912,398	£4,672,607	£3,108,573

In the opinion of the directors, the value of the unlisted fixed asset investments is not less than the amount at which they are included in the accounts.

The Company owns the whole of the issued share capital of its subsidiary, MAH Investments Limited, an investment holding company.

The Company acquired investments previously held by its subsidiary during the year.

The Company owns more than 20% of the equity share capital of Micro Quoted Growth Trust plc, Chelverton Asset Management Limited and Assurity (Holdings) Limited.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2000

9.	Debtors	Group 2000 £	Group 1999 £	Company 2000 £	Company 1999 £
	Amounts due within one year				
	Due from group undertakings	-	-	-	776,532
	Other debtors	-	17,500	-	17,500
	Tax recoverable	-	1,709	-	1,709
		£nil	£19,209	£nil	£795,741
		£nil	£19,209	£nil	£795,741
10.	Creditors	Group 2000 £	Group 1999 £	Company 2000 £	Company 1999 £
	Amounts falling due within one year				
	Trade Creditors	5,808	-	5,808	-
	Amounts owed to undertakings in which the Company has a participating interest	-	-	2	-
	Accruals & deferred income	10,000	19,672	10,000	19,672
	Other creditors including taxation and social security	2,594	718	2,594	718
	Deferred taxation	-	46,276	-	46,276
		£18,402	£66,666	£18,404	£66,666
		£18,402	£66,666	£18,404	£66,666
11.	Share Capital	Group 2000 £	Group 1999 £	Company 2000 £	Company 1999 £
	Authorised: 15,000,000 ordinary shares of 1p	£150,000	£150,000	£150,000	£150,000
	Issued and fully paid 11,167,426 ordinary shares of 1p	£111,674	£111,674	£111,674	£111,674

The Company operates a share option scheme designed to motivate and reward the performance of the directors.

A total of 500,000 options exercisable at 37.5p (21.05.01 – 21.05.08) were outstanding at 31 December 2000 as follows:

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2000

No. of Options

K J Allen	150,000
J C Browne	25,000
A J R Mackay	25,000
I P Martin	150,000
Mrs R D Naylor	150,000

12. Reconciliation of Movement in Shareholders' Funds

	Share Capital	Profit & Loss Account	Capital Reserve	Total Shareholders' Funds
	£	£	£	£
Group				
Balance at 1 January 1999	111,674	4,322,765	-	4,434,439
Prior year adjustment	-	220,594	(220,594)	-
Profit for the year	-	424,823	-	424,823
Unrealised gains/(losses)	-	-	328,570	328,570
Balance at 31 December 1999	111,674	4,968,182	107,976	5,187,832
Loss for the year	-	(52,760)	-	(52,760)
Unrealised gains/(losses)	-	-	(306,202)	(306,202)
Balance at 31 December 2000	£111,674	£4,915,422	£(198,226)	£4,828,870
Company				
Balance at 1 January 1999	111,674	4,358,647	-	4,470,321
Prior year adjustment	-	189,496	(189,496)	-
Profit for the year	-	392,748	-	392,748
Unrealised gains/(losses)	-	-	316,070	316,070
Balance at 31 December 1999	111,674	4,940,891	126,574	5,179,139
Loss for the year	-	(52,760)	-	(52,760)
Unrealised gains/(losses)	-	-	(297,509)	(297,509)
Balance at 31 December 2000	£111,674	£4,888,131	£(170,935)	£4,828,870

The prior year adjustment arises from the change in accounting policy to take net unrealised gains and losses to a capital reserve.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2000
13. Reconciliation of Operating Profit to Cash Flow from Operating Activities

	2000	1999
	£	£
Operating (loss)	(82,864)	(62,162)
Increase in debtors	19,206	34,500
(Decrease)/increase in creditors	(1,985)	151
	<hr/>	<hr/>
Net cash flow from operating activities	£(65,643)	£(27,511)
	<hr/>	<hr/>

14. Analysis of Net Cash

	At 1 January 2000	Cash Flow	At 31 December 2000
	£	£	£
Cash in hand and at bank	£1,181,139	£(823,039)	£358,100
	<hr/>	<hr/>	<hr/>

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of MAH plc will be held at Commonwealth House, 2 Chalkhill Road, London W6 8DW on 29 June 2001 at 11.30am for the purposes of considering and, if thought fit, passing the following resolutions all of which will be proposed as ordinary resolutions, except resolutions 4 and 6 which will be proposed as special resolutions:

- 1) THAT the report of the directors and the audited accounts for the financial year ended 31 December 2000, now laid before the meeting, be and are hereby received and adopted.
- 2) THAT Mr K.J. Allen (who retires by rotation at the Annual General Meeting in accordance with the Articles of Association) be and is hereby re-elected a director of the Company.
- 3) THAT Mazars Neville Russell be and they are hereby re-appointed as registered auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company and that their remuneration be determined by the directors.
- 4) THAT the Directors of the Company be and they are hereby authorised generally and unconditionally pursuant to and in accordance with section 80 of the Companies Act 1985 ("the Act") to exercise all the powers of the Company to allot relevant securities (within the meaning of section 80 of the Act) up to an aggregate nominal amount of £10,000 provided that this authority shall expire at the conclusion of the next annual general meeting of the Company to be held in 2002 and the Company may pursuant to this authority make offers or agreements before the expiry of this authority which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offers or agreements as if the authority conferred hereby had not expired.
- 5) THAT, subject to the passing of resolution 4 set out in the Notice convening this meeting ("the Resolution"), the directors be and they are hereby empowered pursuant to Section 95 of the Act to allot equity securities (as defined in Section 94 (2) of the Act) for cash pursuant to the authority conferred by the Resolution as if Section 89(1) of the Act did not apply to such allotment, provided that this power shall be limited to the allotment of equity securities:
 - (i) in connection with an offer of equity securities by way of rights to the holders of ordinary shares in proportion (as nearly as may be) to their holdings on a record date fixed by the directors (but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with any legal or practical problems under the laws of any territory or the requirements of any regulatory body or any stock exchange in any territory or in relation to fractional entitlements or otherwise howsoever);
 - (ii) pursuant to the terms of any share scheme for Directors or employees of the Company and/or its subsidiaries;
 - (iii) otherwise than pursuant to sub-paragraphs (i) or (ii) above) up to an aggregate nominal amount equal to £10,000

in each case up to the conclusion of the annual general meeting of the Company to be held in 2002 save that the Company may, before the expiry of such power, make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired,

By order of the board



A J R Mackay
Company Secretary
40 Catherine Place
London SW1E 6HL

1 June 2001

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. A form of proxy is enclosed. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person.
3. To be effective, the instrument appointing a proxy, completed and returned in accordance with the instructions printed thereon, must be received at the Company's registrars, (Capita IRG plc, Balfour House, 390-398 High Road, Ilford, Essex IG1 1NQ) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote. An instrument of proxy which has not been so deposited shall nonetheless be treated as valid if before the close of business of the meeting at which the person named in the instrument proposes to vote the instrument of proxy is produced to the Chairman of the meeting.
4. Resolution 4: The purpose of this resolution is to enable the directors generally to allot shares or other securities of the Company having an aggregate nominal amount of £10,000 (equivalent to 1,000,000 ordinary shares). The issue of shares or other securities exceeding £10,000 in nominal value would require further shareholders' approval at a general meeting. This authority will expire at the next Annual General Meeting of the Company.
5. Resolution 5 : This resolution permits the directors to allot ordinary shares or other equity securities for cash without having to offer those shares or securities to existing shareholders in proportion to their existing holdings. The authority relates to 1,000,000 ordinary shares (being 8.95 per cent of the existing issued ordinary share capital of the Company) and will expire at the next Annual General Meeting of the Company.