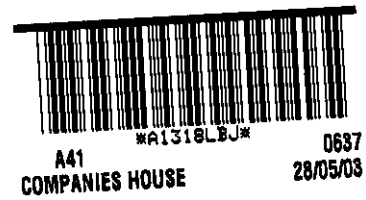


Abbreviated Financial Statements

For The Year Ended 31 May 2002

for

Generation Securities Limited



Generation Securities Limited

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For The Year Ended 31 May 2002

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Generation Securities Limited

Company Information
For The Year Ended 31 May 2002

DIRECTORS: H McAlpine
C Williams

SECRETARY: C Williams

REGISTERED OFFICE: 156 High Street
Dorking
Surrey
RH14 1BQ

REGISTERED NUMBER: 1290521

AUDITORS: Warner Bearman
Chartered Accountants
& Registered Auditors
60 Welbeck Street
London
W1G 9BH

Generation Securities Limited

Report of the Independent Auditors to
Generation Securities Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31 May 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.



Warner Bearman
Chartered Accountants
& Registered Auditors
60 Welbeck Street
London
W1G 9BH

Dated: 27th May 2002

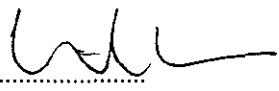
Generation Securities Limited

Abbreviated Balance Sheet
31 May 2002

		2002		2001	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		8,162		13,208
Investments	3		100		100,747
			<u>8,262</u>		<u>113,955</u>
CURRENT ASSETS:					
Debtors	4	553,377		274,455	
CREDITORS: Amounts falling due within one year		<u>250,107</u>		<u>62,103</u>	
NET CURRENT ASSETS:			<u>303,270</u>		<u>212,352</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			311,532		326,307
CREDITORS: Amounts falling due after more than one year			<u>-</u>		<u>3,683</u>
			<u><u>£311,532</u></u>		<u><u>£322,624</u></u>
CAPITAL AND RESERVES:					
Called up share capital	5		439,262		439,262
Share premium			520,971		520,971
Capital redemption reserve			1,098,179		1,098,179
Profit and loss account			<u>(1,746,880)</u>		<u>(1,735,788)</u>
SHAREHOLDERS' FUNDS:			<u><u>£311,532</u></u>		<u><u>£322,624</u></u>

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

ON BEHALF OF THE BOARD:


.....
H McAlpine - DIRECTOR

Approved by the Board on 20 MAY 2003

Generation Securities Limited

Notes to the Abbreviated Financial Statements
For The Year Ended 31 May 2002

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared on the going concern basis which assumes that the company will continue for the foreseeable future. The validity of this assumption depends on the continued support of the creditors and ultimate controlling party. The financial statements do not include any adjustments that would result if this support was not continued.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on cost
Office equipment	- 25% on cost

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Subsidiary undertakings

Statutory group accounts are not prepared as the company has taken advantage of the exemption granted under Section 248(1) of the Companies Act 1985 for filing purposes on the basis that it qualifies as a small size group.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 June 2001	231,804
Disposals	(139,923)
At 31 May 2002	91,881
DEPRECIATION:	
At 1 June 2001	218,595
Charge for year	5,047
Eliminated on disposals	(139,923)
At 31 May 2002	83,719
NET BOOK VALUE:	
At 31 May 2002	8,162
At 31 May 2001	13,208

Generation Securities Limited

Notes to the Abbreviated Financial Statements
For The Year Ended 31 May 2002

3. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 June 2001	
and 31 May 2002	765,695
PROVISIONS:	
At 1 June 2001	764,948
Provision during year	647
At 31 May 2002	765,595
NET BOOK VALUE:	
At 31 May 2002	100
At 31 May 2001	747

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Tartan Video Limited

Nature of business: Wholesaler of video films

	%
Class of shares:	holding
Ordinary	100.00

	2002	2001
	£	£
Aggregate capital and reserves	(805,106)	(819,869)
Profit for the year	14,763	16,854

Investments (neither listed nor unlisted) were as follows:

	2002	2001
	£	£
Other Investment	-	100,000

4. DEBTORS FALLING DUE AFTER MORE THAN ONE YEAR

	2002	2001
	£	£
Other Debtors	220,088	-

Generation Securities Limited

Notes to the Abbreviated Financial Statements
For The Year Ended 31 May 2002

5. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	2002	2001
Number:	Class:		£	£
500,000	Ordinary Shares	£1	500,000	500,000
500,000	B Ordinary Shares	£1	500,000	500,000
1,098,179	8.75% Cumulative redeemable preference shares	£1	1,098,179	1,098,179
			<u>2,098,179</u>	<u>2,098,179</u>

Allotted, issued and fully paid:		Nominal value:	2002	2001
Number:	Class:		£	£
219,627	Ordinary Shares	£1	219,627	219,627
219,635	B Ordinary Shares	£1	219,635	219,635
			<u>439,262</u>	<u>439,262</u>

6. TRANSACTIONS WITH DIRECTORS

During the year the company gifted two motor cars to Mr H McAlpine. The market value of these cars were £20,000 and £12,000 respectively.

During the year the company paid management charges of £60,000 to Mr H McAlpine.