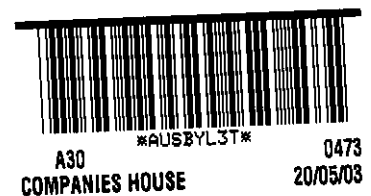


ARMSTRONG LIMITED
FINANCIAL STATEMENTS

31ST JULY 2002

Company Registration Number 3378613



BERNARD ATKINS
Chartered Accountants
205 Wells Road
Knowle
Bristol BS4 2DF

ARMSTRONG LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2002

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ARMSTRONG LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31ST JULY 2002

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31st July 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was building maintenance and property management.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 July 2002	At 1 August 2001
M D Offer	2	2
M Crew	—	—
	<u> </u>	<u> </u>

CLOSE COMPANY PROVISIONS

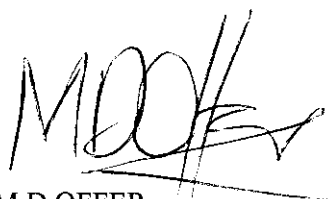
In the opinion of the directors, the company is a close company within the meaning of S.414 Income and Corporation Taxes Act, 1988 (as amended).

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:
 205 Wells Road
 Knowle
 Bristol
 BS4 2DF

Signed by order of the directors



M D OFFER
 Company Secretary

Approved by the directors on 24th April 2003

ARMSTRONG LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST JULY 2002

	Note	2002 £	2001 £
TURNOVER		164,231	133,177
Cost of sales		<u>119,400</u>	<u>80,509</u>
GROSS PROFIT		44,831	52,668
Administrative expenses		<u>40,247</u>	<u>45,344</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		4,584	7,324
Tax on profit on ordinary activities	3	<u>450</u>	<u>650</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR		4,134	6,674
Balance brought forward		<u>3,971</u>	<u>(2,703)</u>
Balance carried forward		<u><u>8,105</u></u>	<u><u>3,971</u></u>

ARMSTRONG LIMITED**BALANCE SHEET****31ST JULY 2002**

	Note	2002 £	£	2001 £	£
FIXED ASSETS					
Tangible assets	4		5,695		4,917
CURRENT ASSETS					
Debtors	5	24,449		24,020	
Cash at bank		7,789		4,421	
		<u>32,238</u>		<u>28,441</u>	
CREDITORS: Amounts falling due within one year					
	6	<u>29,476</u>		<u>29,185</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>2,762</u>		<u>(744)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,457</u>		<u>4,173</u>
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	7		350		200
			<u>8,107</u>		<u>3,973</u>

The Balance sheet continues on the following page.
The notes on pages 5 to 8 form part of these financial statements.

ARMSTRONG LIMITED**BALANCE SHEET** *(continued)***31ST JULY 2002**

	Note	2002 £	2001 £
CAPITAL AND RESERVES			
Called-up equity share capital	9	2	2
Profit and Loss Account		<u>8,105</u>	<u>3,971</u>
SHAREHOLDERS' FUNDS		<u>8,107</u>	<u>3,973</u>

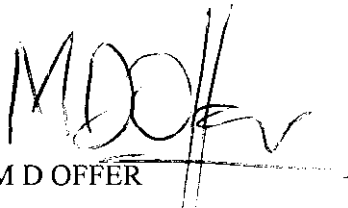
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

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 June 2002).

These financial statements were approved by the directors on the 24th April 2003 and are signed on their behalf by:


M D OFFER

ARMSTRONG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 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 June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Equipment	- 15% Straight line per annum
Motor Vehicles	- 25% Straight line per annum

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

ARMSTRONG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2002

2. OPERATING PROFIT

Operating profit is stated after charging:

	2002 £	2001 £
Directors' emoluments	—	—
Depreciation	<u>1,922</u>	<u>1,518</u>

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002 £	2001 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 7.70% (2001 - 10%)	352	450
Over/under provision in prior year	<u>(52)</u>	—
Total current tax	300	450
Deferred tax:		
Increase in deferred tax provision (note 7)		
Capital allowances	<u>150</u>	200
Tax on profit on ordinary activities	<u>450</u>	<u>650</u>

The corporation tax charge is stated after allowing for relief on trading losses brought forward.

4. TANGIBLE FIXED ASSETS

	Plant & Equipment £	Motor Vehicles £	Total £
COST			
At 1st August 2001	6,171	3,950	10,121
Additions	<u>500</u>	<u>2,200</u>	<u>2,700</u>
At 31st July 2002	<u>6,671</u>	<u>6,150</u>	<u>12,821</u>
DEPRECIATION			
At 1st August 2001	2,636	2,568	5,204
Charge for the year	<u>1,000</u>	<u>922</u>	<u>1,922</u>
At 31st July 2002	<u>3,636</u>	<u>3,490</u>	<u>7,126</u>
NET BOOK VALUE			
At 31st July 2002	<u>3,035</u>	<u>2,660</u>	<u>5,695</u>
At 31st July 2001	<u>3,535</u>	<u>1,382</u>	<u>4,917</u>

ARMSTRONG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2002

5. DEBTORS

	2002	2001
	£	£
Trade debtors	23,777	23,915
Prepayments and accrued income	672	105
	<u>24,449</u>	<u>24,020</u>

6. CREDITORS: Amounts falling due within one year

	2002		2001
	£	£	£
Trade creditors	6,783		10,753
Other creditors including taxation and social security:			
Corporation tax	352	450	
PAYE and social security	681	668	
VAT	7,426	5,242	
Directors current accounts	12,754	10,627	
Accruals and deferred income	1,480	1,445	
	<u>22,693</u>		18,432
	<u>29,476</u>		<u>29,185</u>

7. DEFERRED TAXATION

	2002	2001
	£	£
The movement in the deferred taxation provision during the year was:		
Provision brought forward	200	—
Profit and Loss Account movement arising during the year	150	200
Provision carried forward	<u>350</u>	<u>200</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2002	2001
	£	£
Excess of taxation allowances over depreciation on fixed assets	350	200
	<u>350</u>	<u>200</u>

8. RELATED PARTY TRANSACTIONS

The company was under the control of Mr M D Offer throughout the current period. Mr Offer is the managing director and only shareholder.

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

ARMSTRONG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2002

9. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2002		2001
	No	£	No
			£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>
			<u>2</u>