ALLIED GROUP HOLDINGS LIMITED

FINANCIAL STATEMENTS

FOR

30TH APRIL 2002

Company Registration Number 3963520

MACINTYRE HUDSON
Chartered Accountants
Moorgate House
201 Silbury Boulevard
Central Milton Keynes
Buckinghamshire MK9 1LZ

ALLIED GROUP HOLDINGS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 2002

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ALLIED GROUP HOLDINGS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	B Bell N S Bell
Company secretary	Barbara Bell
Registered office	Concept House 8 The Townsend Centre Blackburn Road Dunstable Bedfordshire LU5 5BQ
Accountants	MacIntyre Hudson Chartered Accountants Moorgate House 201 Silbury Boulevard Central Milton Keynes Buckinghamshire MK9 1LZ

ALLIED GROUP HOLDINGS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30TH APRIL 2002

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 30th April 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of property rental.

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 30 April 2002	**At 1 May 2001**
B Bell	-	-
N S Bell	1	1

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:
Concept House
8 The Townsend Centre
Blackburn Road
Dunstable
Bedfordshire
LU5 5BQ

Signed by order of the directors

BARBARA BELL
Company Secretary

Approved by the directors on 29 August 2002

ALLIED GROUP HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30TH APRIL 2002

	Note	2002	2001
		£	£
TURNOVER		19,200	17,600
Administrative expenses		(1,909)	(3,356)
OPERATING PROFIT	1	17,291	14,244
Interest receivable		-	30
Interest payable		(10,960)	(11,218)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		6,331	3,056
Tax on profit on ordinary activities	2	(983)	(306)
RETAINED PROFIT FOR THE FINANCIAL YEAR		5,348	2,750
Balance brought forward		2,750	-
Balance carried forward		8,098	2,750

The accounting policies and notes on pages 6 to 9 form part of these financial statements.

ALLIED GROUP HOLDINGS LIMITED

BALANCE SHEET

30TH APRIL 2002

	Note	2002 £	2002 £	2001 £	2001 £
FIXED ASSETS					
Tangible assets	3		224,126		224,126
CURRENT ASSETS					
Debtors	4	-		17,600	
Cash at bank and in hand		87		102	
		87		17,702	
CREDITORS: Amounts falling due within one year	5	(80,205)		(95,542)	
NET CURRENT LIABILITIES			(80,118)		(77,840)
TOTAL ASSETS LESS CURRENT LIABILITIES			144,008		146,286
CREDITORS: Amounts falling due after more than one year	6		(135,909)		(143,535)
			8,099		2,751

The balance sheet continues on the following page.

The accounting policies and notes on pages 6 to 9 form part of these financial statements.

ALLIED GROUP HOLDINGS LIMITED

BALANCE SHEET *(continued)*

30TH APRIL 2002

	Note	2002 £	2001 £
CAPITAL AND RESERVES			
Called-up equity share capital	8	1	1
Profit and loss account		8,098	2,750
SHAREHOLDERS' FUNDS		8,099	2,751

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 March 2000).

These financial statements were approved by the directors on the 29 August 2002, and are signed on their behalf by:

N BELL **B BELL**

ALLIED GROUP HOLDINGS LIMITED

ACCOUNTING POLICIES

YEAR ENDED 30TH APRIL 2002

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).

Turnover

The turnover in the profit and loss account represents amounts invoiced during the year, exclusive of VAT and amounts accrued for income in the year not invoiced by the year end.

ALLIED GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 2002

1. OPERATING PROFIT

Operating profit is stated after charging:

	2002	2001
	£	£
Directors' emoluments	-	-

2. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002	2001
	£	£
Corporation tax based on the results for the year at 10% (2001 - 10%)	983	306

3. TANGIBLE FIXED ASSETS

	Freehold Property
	£
COST	
At 1st May 2001 and 30th April 2002	224,126
DEPRECIATION	-
NET BOOK VALUE	
At 30th April 2002	224,126
At 30th April 2001	224,126

4. DEBTORS

	2002	2001
	£	£
Prepayments and accrued income	-	17,600

ALLIED GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 2002

5. CREDITORS: Amounts falling due within one year

	2002	2001
	£	£
Bank loans and overdrafts	9,650	9,891
Trade creditors	1,193	-
Amounts owed to undertakings in which the company has a participating interest	66,873	84,845
Other creditors comprise:		
Corporation tax	1,289	306
	79,005	95,042
Accruals and deferred income	1,200	500
	80,205	95,542

The bank loan is secured by a first legal mortgage over the company's freehold property.

See note 7 for details of director's guarantees.

6. CREDITORS: Amounts falling due after more than one year

	2002	2001
	£	£
Bank loans and overdrafts	135,909	143,535

The bank loan is secured by a first legal mortgage over the company's freehold property.

See note 7 for details of director's guarantees.

£90,398 (2001 - £97,483) of the loan falls due for repayment more than five years from the balance sheet date.

7. RELATED PARTY TRANSACTIONS

The company has charged £19,200 of rental income, relating to this year, to Allied Associates (Geophysical) Limited, a company controlled by N S and B Bell, for use of the freehold property from June 2001.

The company's directors, N S Bell and B Bell have provided the company's bankers with a personal guarantee up to a maximum value of £160,000 over all of the company's borrowings.

8. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
1 Ordinary shares of £1 each	1	1

ALLIED GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 2002

8. SHARE CAPITAL *(continued)*

Allotted, called up and fully paid:

	2002	2001
	£	£
Ordinary share capital brought forward	1	-
Issue of ordinary shares	-	1
	1	1