

G. AND M. TOOLS AND EQUIPMENT LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD
5TH SEPTEMBER, 2001 TO 30TH SEPTEMBER, 2002

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COMPANY INFORMATION

COMPANY NUMBER

4282021

REGISTERED OFFICE

Unit 1, 43A Millbrook Road,
Kingstown Industrial Estate,
Carlisle
CA3 0EU

DIRECTORS

M.J. Firman, Esq.
G. Graham, Esq.

SECRETARY

G. Graham, Esq.

BANKERS

HSBC Bank PLC,
29 English Street,
Carlisle
CA3 8JT

AUDITORS

N.B. Lancaster and Co.,
Chartered Accountants,
and Registered Auditor,
5 Cecil Street,
Carlisle
CA1 1NL



G. AND M. TOOLS AND EQUIPMENT LIMITED**DIRECTORS REPORT**

The Directors submit their first Report together with the Financial Statements for the period from the Date of Incorporation on 5th September, 2001 to 30th September, 2002.

TRADING RESULTS**PERIOD ENDED****30.9.2002**

Loss Before Taxation	(7,176)
Taxation	-
Loss After Taxation	(7,176)
Dividend Paid	-

<u>Retained (Loss) for the Period</u>	<u>(7,176)</u>
	=====

The Directors consider that the Company has traded satisfactorily despite the Loss arising in this first period of trading.

No Dividends are recommended for payment.

PRINCIPAL ACTIVITIES

The Company's principal activities are the sale and hire of tools and equipment.

DIRECTORS AND THEIR INTEREST

The Directors serving during the year and their interests in the Share Capital of the Company were as follows:-

ORDINARY SHAREHOLDINGS**AS AT 30.9.2002**

M.J. Firman, Esq.	50
G. Graham, Esq.	50

There were no other shareholdings in the Company other than those shown above.

FIXED ASSETS

The Company's Fixed Assets and movements therein are set out in Note 11 to the Accounts.

G. AND M. TOOLS AND EQUIPMENT LIMITED

DIRECTORS REPORT (CONTD.)

EXPORTS - None

CHARITABLE AND POLITICAL DONATIONS - Charitable - None
- Political - None

INCOME AND CORPORATION TAXES ACT

The Company is a "Close Company" within the meaning of the Act.

AUDITORS

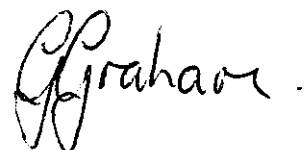
Although the Company is now entitled to exemption from the requirements to have an Audit under the provisions of Section 249 A (2) and no Audit has been undertaken the Company's Auditors, Messrs. N.B. Lancaster and Co., Chartered Accountants, continue to hold office as Auditors.

BY ORDER OF THE BOARD

28TH FEBRUARY, 2003

G. GRAHAM, ESQ.

SECRETARY

A handwritten signature in cursive script, appearing to read 'G. Graham', is written over the printed name of the Secretary.

G. AND M. TOOLS AND EQUIPMENT LIMITED

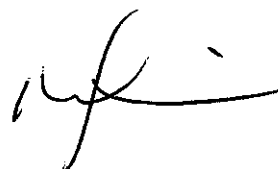
STATEMENT OF DIRECTORS RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Directors are required by the Companies Act 1985 to prepare financial statements which give a true and fair view of the state of the Company's affairs at the end of the financial year and of the profit and loss for that period.

It is also the Directors responsibility to maintain adequate accounting records, safeguard the assets of the company and prevent and detect fraud and other irregularities.

The Directors confirm that suitable Accounting Policies, consistently applied and supported by responsible and prudent judgement and estimates, have been used in the preparation of the Financial Statements and that applicable Accounting Standards have been followed.

BY ORDER OF THE BOARD

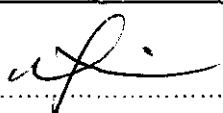
A handwritten signature in black ink, appearing to be 'M.J. Firman', written over a horizontal line.

M.J. FIRMAN, ESQ.

28th FEBRUARY, 2003

DIRECTOR

G. AND M. TOOLS AND EQUIPMENT LIMITEDBALANCE SHEET AS AT 30TH SEPTEMBER, 2002AS AT 5.9.2001

		<u>ASSETS EMPLOYED</u>		
		<u>FIXED ASSETS</u>		
	2427	Tangible Assets (Note 11)		6880
		<u>CURRENT ASSETS</u>		
1701		Stocks (Note 6)	20569	
1450		Debtors (Note 7)	14351	
1497		Cash at Bank and In Hand	115	
			<u>35035</u>	
4648			=====	
		<u>LESS CURRENT LIABILITIES</u>		
6975		Creditors Falling due Within One Year (Note 8)	36964	
			=====	
	(2327)	<u>NET CURRENT ASSETS</u>		(1929)
		<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>4951</u>
	100	<u>LESS CREDITORS FALLING DUE AFTER ONE YEAR</u> (Note 9)		12027
	-			
	100	<u>NET ASSETS</u>		<u>(7076)</u>
	=====			=====
		<u>REPRESENTED BY:-</u>		
		<u>CAPITAL AND RESERVES</u>		
	100	Called Up Share Capital (Note 10)		100
		<u>RESERVES</u>		
	-	Profit and Loss Account		(7176)
	100	<u>CAPITAL EMPLOYED</u>		<u>(7076)</u>
	=====			=====
		The Directors consider that the Company is entitled to exemption from the requirement to have an Audit under the provisions of Section 249 A (1) of the Companies Act 1985. Shareholders holding 10% or more of the Company's Share Capital have not issued a notice requiring an Audit. The Directors have confirmed that no notice has been deposited under Section 249(b) (2) of the Companies Act 1985. The Directors acknowledge their responsibilities for ensuring that the Company keeps Accounting Records which comply with Section 221 of the Companies Act 1985, and for 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 for the year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Act relating to the Accounts so far as applicable to the Company.		
		<u>APPROVED BY THE DIRECTORS ON 28th FEBRUARY, 2003</u> <u>AND SIGNED ON BEHALF OF THE BOARD BY:-</u>		
		M.J. Firman 	<u>DIRECTOR</u>	

G. AND M. TOOLS AND EQUIPMENT LIMITED**PROFIT AND LOSS ACCOUNT FOR THE PERIOD 5TH SEPTEMBER, 2001 TO 30TH SEPTEMBER, 2002**

<u>TURNOVER</u> (Note 1(b))	155262
<u>Less</u> Cost of Sales	131349
<u>GROSS PROFIT</u>	23913
<u>Less</u> Administrative Expenses (Note 2)	30865
<u>OPERATING (LOSS)</u>	(6952)
<u>Less</u> Interest Payable (Note 4)	224
<u>LOSS ON ORDINARY ACTIVITIES BEFORE TAX</u>	(7176)
<u>TAXATION</u> (Note 5)	-
<u>LOSS ON ORDINARY ACTIVITIES AFTER TAX</u>	(7176)
<u>APPROPRIATIONS</u>	
Dividend Paid	-
<u>RETAINED (LOSS) FOR THE FINANCIAL PERIOD</u>	(7176)
<u>Add</u> Retained Earnings B/Fwd.	-
<u>RETAINED EARNINGS</u>	(7176)
	=====

NOTES:-**1. Continuing Operations**

The Company commenced trading on 5th September, 2001.
No further Activities were acquired or discontinued during
the above Financial Period.

2. Total Recognised Gains and Losses

The Company has no recognised Gains or Losses
other than the Profit and Loss for the above Financial
Period.

G. AND M. TOOLS AND EQUIPMENT LIMITED**NOTES TO THE ACCOUNTS****1. ACCOUNTING POLICIES****(a) Accounting Convention and Basis of Preparation**

The Accounts have been prepared under the Historical Cost Convention and comply except where otherwise stated with applicable Statements of Standard Accounting Practice.

(b) Turnover

Turnover comprises the value of all goods sold in the Accounting Period exclusive of Value Added Tax, and after provision for refunds and doubtful debts.

(c) Stocks

Stocks have been valued by the Directors at the lower of cost and net realisable value.

(d) Depreciation

Provision is made for the Depreciation of Tangible Assets at the following rates calculated to write off the cost of each asset over its estimated useful life:-

Plant, Fixtures and Equipment	-	25% Reducing Balance
Motor Vehicles	-	25% Reducing Balance

2. ADMINISTRATIVE EXPENSES is inclusive of the following:-

	<u>PERIOD ENDED</u>
	<u>30.9.2002</u>
Depreciation	2,293
Directors Remuneration	-
Other Costs	<u>28,572</u>
	<u>30,865</u>
	=====

3. DIRECTORS REMUNERATION

The number of Directors whose remuneration fell into the following bands was as follows:-

	<u>PERIOD ENDED</u>
	<u>30.9.2002</u>
£0 - £5,000	NIL
	=====

G. AND M. TOOLS AND EQUIPMENT LIMITED**NOTES TO THE ACCOUNTS**

	<u>2002</u>	<u>2001</u>
4. <u>INTEREST PAYABLE</u>		
Bank Overdraft Interest	9	-
Hire Purchase Interest	<u>115</u>	<u>-</u>
	124	-
	<u>=====</u>	<u>=====</u>
5. <u>TAXATION</u>		
The Analysis of the Taxation position is as follows:-		
U.K. Corporation Tax on Profits	-	-
	<u>=====</u>	<u>=====</u>
6. <u>STOCKS</u>		
Goods for Resale	<u>20,569</u>	<u>1,701</u>
	<u>=====</u>	<u>=====</u>
7. <u>DEBTORS</u>		
Trade Debtors	14,351	947
Other Debtors	-	503
	<u>14,351</u>	<u>1,450</u>
	<u>=====</u>	<u>=====</u>

G. AND M. TOOLS AND EQUIPMENT LIMITED**NOTES TO THE ACCOUNTS**

8.	<u>CREDITORS FALLING DUE WITHIN ONE YEAR</u>	<u>2002</u>	<u>2001</u>
	Bank Overdraft	3,725	-
	Trade Creditors	27,323	6,975
	Other Creditors (Including Taxation and Social Security)	17	-
	Payments in Advance	3,333	-
	Accruals	826	-
	Hire Purchase Creditors (Due Under 12 Months)	1,740	-
	Corporation Tax Due	-	-
		36,964	6,975
9.	<u>CREDITORS FALLING DUE AFTER ONE YEAR</u>		
	Hire Purchase Creditor (Due Over 12 Months)	1,885	-
	Directors Loan Accounts	15,142	-
		17,027	-
10.	<u>CALLED UP SHARE CAPITAL</u>		
	<u>Authorised</u>		
	100 Ordinary Shares of £1 each	100	100
	<u>Issued</u>		
	100 Ordinary Shares of £1 each, fully paid	100	100

G. AND M. TOOLS AND EQUIPMENT LIMITED**NOTES TO THE ACCOUNTS**

	<u>Motor Vehicles</u>	<u>Plant and Equipment</u>	<u>Total</u>
11. <u>TANGIBLE ASSETS</u>			
<u>Cost</u> as at 5.9.2001	-	2,427	2,427
Additions	5,800	946	6,746
Disposals	-	-	-
	_____	_____	_____
<u>Cost As At 30.9.2002</u>	<u>5,800</u>	<u>3,373</u>	<u>9,173</u>
	=====	=====	=====
<u>Depreciation</u> as at 5.9.2001	-	-	-
Provision for Year	1,450	843	2,293
Disposals	-	-	-
	_____	_____	_____
<u>Depreciation</u> as at 30.9.2002	<u>1,450</u>	<u>843</u>	<u>2,293</u>
	=====	=====	=====
	_____	_____	_____
<u>Net Book Value</u> as at 5.9.2001	<u>-</u>	<u>2,427</u>	<u>2,427</u>
	=====	=====	=====
	_____	_____	_____
<u>Net Book Value</u> as at 30.9.2002	<u>4,350</u>	<u>2,530</u>	<u>6,880</u>
	=====	=====	=====