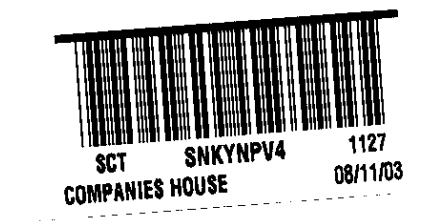


**AMG CYCLES LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**



**Hardie Caldwell**

*CHARTERED ACCOUNTANTS*

Glasgow

**AMG CYCLES LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2002**

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**AMG CYCLES LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2002**

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|                           |                                                                                                   |
|---------------------------|---------------------------------------------------------------------------------------------------|
| <b>DIRECTORS:</b>         | A M George<br>D H George                                                                          |
| <b>SECRETARY:</b>         | S George                                                                                          |
| <b>REGISTERED OFFICE:</b> | 55 Dalblair Road<br>Ayr<br>Ayrshire<br>KA7 1UQ                                                    |
| <b>REGISTERED NUMBER:</b> | 44981 (Scotland)                                                                                  |
| <b>ACCOUNTANTS:</b>       | Hardie Caldwell<br>Chartered Accountants<br>Savoy Tower<br>77 Renfrew Street<br>Glasgow<br>G2 3BY |
| <b>SOLICITORS:</b>        | Messrs O'Neil and Company<br>1 Barns Terrace<br>Ayr<br>KA7 2DB                                    |

**AMG CYCLES LIMITED**

**ABBREVIATED BALANCE SHEET  
31 DECEMBER 2002**

|                                                                | Notes | 2002<br>£       | 2001<br>£      |
|----------------------------------------------------------------|-------|-----------------|----------------|
| <b>FIXED ASSETS:</b>                                           |       |                 |                |
| Tangible assets                                                | 2     | 7,020           | 8,904          |
| <b>CURRENT ASSETS:</b>                                         |       |                 |                |
| Stocks                                                         |       | 99,379          | 102,997        |
| Debtors                                                        |       | 4,686           | 4,716          |
| Cash at bank and in hand                                       |       | <u>12,615</u>   | <u>6,152</u>   |
|                                                                |       | 116,680         | 113,865        |
| <b>CREDITORS: Amounts falling due within one year</b>          | 3     | <u>77,657</u>   | <u>62,521</u>  |
| <b>NET CURRENT ASSETS:</b>                                     |       | <u>39,023</u>   | <u>51,344</u>  |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |       | <u>46,043</u>   | <u>60,248</u>  |
| <b>CREDITORS: Amounts falling due after more than one year</b> | 3     | 70,360          | 44,282         |
| <b>CAPITAL AND RESERVES:</b>                                   |       |                 |                |
| Called up share capital                                        | 4     | 1,000           | 1,000          |
| Profit and loss account                                        |       | <u>(25,317)</u> | <u>14,966</u>  |
| <b>SHAREHOLDERS' FUNDS:</b>                                    |       | <u>£46,043</u>  | <u>£60,248</u> |

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2002.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2002 in accordance with Section 249B(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
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**ON BEHALF OF THE BOARD:**

A M George - Director

D H George - Director

Approved by the Board on 22 October 2003



**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2002**

**1. ACCOUNTING POLICIES**

**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).

The financial statements have been prepared on the going concern basis due to the continuing support of the company by the director through his loan account.

**Turnover**

Turnover represents net invoiced sales of goods, 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.

|                                        |                           |
|----------------------------------------|---------------------------|
| Fixtures & fittings / Office equipment | - 15% on reducing balance |
| Motor vehicles                         | - 25% on reducing balance |

**Stocks**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**2. TANGIBLE FIXED ASSETS**

|                        | <u>Total</u>   |
|------------------------|----------------|
|                        | £              |
| <b>COST:</b>           |                |
| At 1 January 2002      | 33,679         |
| Additions              | 648            |
| Disposals              | <u>(1,200)</u> |
| At 31 December 2002    | <u>33,127</u>  |
| <b>DEPRECIATION:</b>   |                |
| At 1 January 2002      | 24,775         |
| Charge for year        | <u>1,332</u>   |
| At 31 December 2002    | <u>26,107</u>  |
| <b>NET BOOK VALUE:</b> |                |
| At 31 December 2002    | <u>7,020</u>   |
| At 31 December 2001    | <u>8,904</u>   |

**3. CREDITORS**

The following secured debts are included within creditors:

|            | 2002         | 2001     |
|------------|--------------|----------|
|            | £            | £        |
| Bank loans | <u>9,609</u> | <u>-</u> |

**AMG CYCLES LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2002**

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**4. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

| Number: | Class:   | Nominal<br>value: | 2002<br>£    | 2001<br>£    |
|---------|----------|-------------------|--------------|--------------|
| 1,000   | Ordinary | £1                | <u>1,000</u> | <u>1,000</u> |

**AMG CYCLES LIMITED**

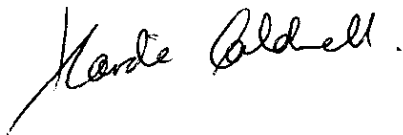
**REPORT OF THE ACCOUNTANTS TO THE DIRECTORS OF  
AMG CYCLES LIMITED**

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The following reproduces the text of the report prepared for the directors in respect of the company's annual financial statements, from which the abbreviated financial statements (set out on pages two to four) have been prepared.

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2002 set out on pages three to seven and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



Hardie Caldwell  
Chartered Accountants  
Savoy Tower  
77 Renfrew Street  
Glasgow  
G2 3BY

Date: 28 October 2003