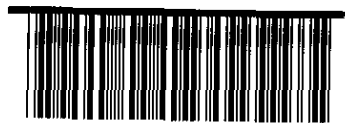


**Report of the Directors and
Financial Statements for the Year Ended 30 September 2001
for
W NELSON & CO LIMITED**



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COMPANIES HOUSE 19/03/02

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for the Year Ended 30 September 2001**

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W NELSON & CO LIMITED

**Company Information
for the Year Ended 30 September 2001**

DIRECTORS: C F A A Nelson
G W Nelson

SECRETARY: Mr G W Nelson

REGISTERED OFFICE: Paxton House
11 Woodside Crescent
Charing Cross
GLASGOW
G3 7UL

REGISTERED NUMBER: 80791 (Scotland)

ACCOUNTANTS: MPW Chartered Accountants
Paxton House
11 Woodside Crescent
Charing Cross
GLASGOW
G3 7UL

SOLICITORS: Gebbie & Wilson
18 Commongreen
STRATHAVEN
ML10 6AG

W NELSON & CO LIMITED

Report of the Directors for the Year Ended 30 September 2001

The directors present their report with the financial statements of the company for the year ended 30 September 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the sale of specialised furniture.

DIRECTORS

The directors during the year under review were:

W Nelson	- resigned 5.4.01
Mrs P M Nelson	- resigned 5.4.01
C F A A Nelson	- appointed 5.4.01
G W Nelson	- appointed 5.4.01

The beneficial interests of the directors holding office on 30 September 2001 in the issued share capital of the company were as follows:

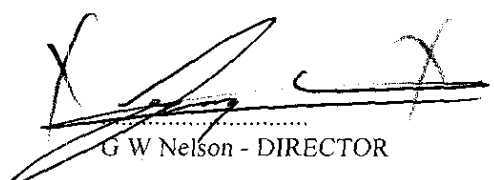
	30.9.01	1.10.00 or date of appointment if later
Ordinary 1 shares		
C F A A Nelson	1	1
G W Nelson	1	1

PURCHASE OF OWN SHARES

Upon the retiral of two directors, Mr W Nelson and Mrs P M Nelson, the company purchased 98 shares at a nominal value of £5,500 for consideration of £539,000. The number of shares purchased represent 98% of the authorised share capital.

This report has 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:



G W Nelson - DIRECTOR

Dated:

16th JAN 2002

W NELSON & CO LIMITED

**Profit and Loss Account
for the Year Ended 30 September 2001**

		30.9.01	30.9.00
	Notes	£	£
TURNOVER		754,866	734,403
Cost of sales		<u>528,478</u>	<u>514,120</u>
GROSS PROFIT		226,388	220,283
Administrative expenses		<u>187,510</u>	<u>146,271</u>
OPERATING PROFIT	3	38,878	74,012
Interest receivable and similar income		<u>14,740</u>	<u>27,291</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		53,618	101,303
Tax on profit on ordinary activities	4	<u>12,151</u>	<u>20,480</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		41,467	80,823
Retained profit brought forward		<u>562,285</u>	<u>481,462</u>
Purchase of own shares		<u>603,752</u> <u>(538,902)</u>	<u>562,285</u> <u>-</u>
RETAINED PROFIT CARRIED FORWARD		<u><u>£64,850</u></u>	<u><u>£562,285</u></u>

The notes form part of these financial statements

W NELSON & CO LIMITED

Balance Sheet 30 September 2001

		30.9.01		30.9.00	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	5		17,678		20,905
CURRENT ASSETS:					
Stocks		48,150		45,121	
Debtors	6	59,931		41,394	
Cash at bank		45,764		591,457	
		<u>153,845</u>		<u>677,972</u>	
CREDITORS: Amounts falling due within one year	7	<u>106,671</u>		<u>136,492</u>	
NET CURRENT ASSETS:			<u>47,174</u>		<u>541,480</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£64,852</u>		<u>£562,385</u>
CAPITAL AND RESERVES:					
Called up share capital	8		2		100
Profit and loss account			<u>64,850</u>		<u>562,285</u>
SHAREHOLDERS' FUNDS:			<u>£64,852</u>		<u>£562,385</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 September 2001.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2001 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 March 2000).

ON BEHALF OF THE BOARD:



C F A A Nelson - DIRECTOR

Approved by the Board on 16/1/02

The notes form part of these financial statements

W NELSON & CO LIMITED

Notes to the Financial Statements for the Year Ended 30 September 2001

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 March 2000).

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.

Leasehold property	- 20% on reducing balance
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Stocks

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

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. STAFF COSTS

	30.9.01	30.9.00
	£	£
Wages and salaries	88,349	69,327
Social security costs	8,815	6,056
	<u>97,164</u>	<u>75,383</u>

The average monthly number of employees during the year was as follows:

	30.9.01	30.9.00
Administration	<u>4</u>	<u>5</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	30.9.01	30.9.00
	£	£
Depreciation - owned assets	<u>5,026</u>	<u>5,826</u>
Directors' emoluments and other benefits etc	<u>84,762</u>	<u>63,524</u>

W NELSON & CO LIMITED

Notes to the Financial Statements for the Year Ended 30 September 2001

4. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	30.9.01	30.9.00
	£	£
UK corporation tax	12,151	20,480

UK corporation tax has been charged at 20% (2000 - 20%).

5. TANGIBLE FIXED ASSETS

	Leasehold property	Plant and machinery	Fixtures and fittings
	£	£	£
COST:			
At 1 October 2000	112,774	4,298	2,682
Additions	-	851	-
At 30 September 2001	112,774	5,149	2,682
DEPRECIATION:			
At 1 October 2000	102,739	860	2,435
Charge for year	2,007	858	49
At 30 September 2001	104,746	1,718	2,484
NET BOOK VALUE:			
At 30 September 2001	8,028	3,431	198
At 30 September 2000	10,035	3,438	247

	Motor vehicles	Computer equipment	Totals
	£	£	£
COST:			
At 1 October 2000	22,710	-	142,464
Additions	-	948	1,799
At 30 September 2001	22,710	948	144,263
DEPRECIATION:			
At 1 October 2000	15,525	-	121,559
Charge for year	1,796	316	5,026
At 30 September 2001	17,321	316	126,585
NET BOOK VALUE:			
At 30 September 2001	5,389	632	17,678
At 30 September 2000	7,185	-	20,905

W NELSON & CO LIMITED

Notes to the Financial Statements for the Year Ended 30 September 2001

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.01 £	30.9.00 £
Trade debtors	56,627	41,394
Prepayments	3,304	-
	<u>59,931</u>	<u>41,394</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.01 £	30.9.00 £
Trade creditors	39,831	59,818
Directors current accounts	-	15,256
Other creditors	4,564	3,973
V.A.T.	15,384	6,873
Social security & other taxes	4,405	1,647
Taxation	12,010	20,338
Accrued expenses	30,477	28,587
	<u>106,671</u>	<u>136,492</u>

8. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	30.9.01 £	30.9.00 £
100	Ordinary	1	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.9.01 £	30.9.00 £
100	Ordinary	1	<u>2</u>	<u>100</u>

W NELSON & CO LIMITED

**Report of the Accountants to the Directors of
W NELSON & CO LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 30 September 2001 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.

MPW Chartered Accountants
Paxton House
11 Woodside Crescent
Charing Cross
GLASGOW
G3 7UL



Dated: 28 February 2002