

CROCODILE CLIPS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2001
(Company Number SC 167 331)



Stewart, Sheddan & Co., C.A.
Edinburgh

CROCODILE CLIPS LIMITED**REPORT OF THE AUDITORS TO THE DIRECTOR OF CROCODILE CLIPS LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 4 to 7 together with the full financial statements of Crocodile Clips Limited, for the year ended 31 July 2001.

Respective responsibilities of Directors and Auditors

The director is responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the director's statement on page 4 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to exemptions conferred by Section A Part III of Schedule 8 to that Act in respect of the year ended 31 July 2001, and that the abbreviated accounts on pages 4 to 7 have been properly prepared in accordance with that Schedule.

Other information

On 20 November 2001, we reported as auditors of Crocodile Clips Limited, to the shareholders, on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 July 2001, and our audit report was as follows:-

We have audited the financial statements on pages 6 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

CROCODILE CLIPS LIMITED**REPORT OF THE AUDITORS TO THE DIRECTOR OF CROCODILE CLIPS LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985 -
(CONT'D)****Opinion**

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2001 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Stewart, Sheddan & Co.

Stewart, Sheddan & Co.
Chartered Accountants and Registered Auditors
Edinburgh

20 November 2001

CROCODILE CLIPS LIMITED**ABBREVIATED BALANCE SHEET**
AS AT 31 JULY 2001

	<u>Note</u>	<u>2001</u>	<u>2000</u>
		£	£
<u>Fixed assets</u>			
Tangible assets	2	28,708	27,913
<u>Current assets</u>			
Stocks		9,031	8,442
Debtors - due within one year		173,571	123,221
Cash at bank and in hand		107,207	138,114
		<u>289,809</u>	<u>269,777</u>
<u>Creditors (amounts falling due within one year)</u>	3	(59,952)	(87,877)
<u>Net current assets</u>		<u>229,857</u>	<u>181,900</u>
<u>Total assets less current liabilities</u>		<u>258,565</u>	<u>209,813</u>
<u>Creditors (amounts falling due after one year)</u>	4	-	-
		<u>258,565</u>	<u>209,813</u>
<u>Provisions for liabilities and charges</u>		<u>(11,800)</u>	<u>(2,000)</u>
<u>Net assets</u>		<u>246,765</u>	<u>207,813</u>
		<u>=====</u>	<u>=====</u>
<u>Capital and reserves</u>			
Called up share capital	6	1,000	1,000
Profit & loss account		245,765	206,813
<u>Shareholders' funds</u>		<u>246,765</u>	<u>207,813</u>
		<u>=====</u>	<u>=====</u>

Abbreviated accounts statement

The director has taken advantage of the exemptions conferred by Section A of part III of Schedule 8 to the Companies Act 1985 and has done so on the grounds that, in his opinion, the company qualifies as a small company and is entitled to make use of these exemptions.

The abbreviated accounts on pages 4 to 7 were approved by the Board of Directors on 20 November 2001, and signed on its behalf by:



A M Hall (Director)

The notes on pages 5 to 7 form part of these financial statements

CROCODILE CLIPS LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****1. ACCOUNTING POLICIES****Basis of preparation of accounts**

The accounts are prepared in accordance with applicable accounting standards and under the historical cost convention and include the results of the Company's operations which are described in the Directors' Report and all of which are continuing.

Turnover

Turnover consists of the invoiced value (excluding VAT) for goods and services supplied to third parties.

Depreciation

Depreciation is provided in equal amounts each period in order to write off the original cost of fixed assets over their anticipated useful lives. Estimated useful lives are:-

Computers	2 years
Other equipment	4 years
Fixtures and fittings	10 years

Stocks

Stock is valued at the lower of cost on, a first in first out basis, and net realisable value, after making due allowance for obsolete and slow moving items. Work in progress and finished goods are valued at cost including attributable direct labour and overhead costs after making due allowance for obsolete or slow moving items.

Taxation

The charge for taxation is based on the result for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes. Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future.

Leases

Assets acquired under finance leases are capitalised and depreciated over their useful economic lives. Outstanding obligations under the leases, net of finance charges, are included as a liability. Operating lease costs are charged to the profit and loss account as incurred.

Research and development

Computers and equipment for research and development are included as fixed assets and written off in accordance with the company's depreciation policy; other research and development expenditure is written off in the year in which it is incurred.

Government and other grants

Revenue grants receivable are taken to profit and loss account in the period to which they relate.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

CROCODILE CLIPS LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS (Cont'd)****2. TANGIBLE FIXED ASSETS**

	<u>Total</u> £
<u>Cost</u>	
At start of year	43,575
Additions at cost	18,391
Disposals	(6,598)
At end of year	55,368
<u>Aggregate depreciation</u>	
At start of year	15,662
Charge for year	16,743
Depreciation on disposals	(5,745)
At end of year	26,660
<u>Net book value</u>	
At start of year	27,913
	=====
At end of year	28,708
	=====

3. CREDITORS (amounts falling due within one year)

	<u>2001</u> £	<u>2000</u> £
Trade creditors	27,328	20,010
Accruals	17,359	31,480
Other taxes & PAYE/NI	15,265	14,672
Corporation tax	-	21,715
	59,952	87,877
	=====	=====

Any bank overdraft or loan arising is secured by way of bond and floating charge over all the company's assets.

4. CREDITORS (amounts falling due after one year)

	<u>2001</u> £	<u>2000</u> £
Loans from directors: due within 2 - 5 years	-	-
Other loans: due within 1 - 2 years	-	-
: due within 2 - 5 years	-	-
	-	-
	=====	=====

CROCODILE CLIPS LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS (Cont'd)****5. CHARGES AND SECURITIES**

On 3 September 1997 a bond and floating charge was created over all sums due or becoming due to the Royal Bank of Scotland plc, over the whole of the company's property including uncalled capital. No amounts were due to the bank at 31 July 2001 (2000: £nil).

6. SHARE CAPITAL

Ordinary shares of £1 each as at 31 July:	<u>2001</u> £	<u>2000</u> £
<u>Authorised</u>	100,000 =====	100,000 =====
<u>Allotted, called up and fully paid</u>	1,000 =====	1,000 =====

7. COMMITMENTS

There were no capital commitments at 31 July 2001 (2000 - £nil).

8. LEASE COMMITMENTS

At 31 July 2001 the company had annual commitments under non-cancellable operating leases as set out below.

	<u>2001</u>		<u>2000</u>	
	<u>Land & Buildings</u>	<u>Other</u>	<u>Land & Buildings</u>	<u>Other</u>
Operating leases expire:	£	£	£	£
Within 1 year	32,200	405	21,120	-
Within 2 - 5 years inclusive	-	-	-	405
In over 5 years	-	-	-	-
	-----	-----	-----	-----
	32,200	405	21,120	405
	=====	=====	=====	=====

9. TRANSACTIONS WITH DIRECTORS AND RELATED PARTIES

There were no transactions with directors or related parties.