SPRINGMILE LIMITED

DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
30 SEPTEMBER 2002

Company No. 182613



NAPIER GRAY
CHARTERED ACCOUNTANTS

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DIRECTORS AND OFFICERS

DIRECTORS	J S Picken J Picken
SECRETARY	J Batters
BANKERS	Bank of Scotland plc Irvine
ACCOUNTANTS	Napier Gray Chartered Accountants Glasgow
REGISTERED OFFICE	15 Carmunnock Road Busby Glasgow G76 8SZ

DIRECTORS' REPORT

The directors submit their report together with the financial statements for the year ended 30 September 2002.

RESULTS

The profit and loss account is set out on page 4 and shows the profit for the period.

PRINCIPAL ACTIVITY

The principal activity of the company is that of bingo hall operators.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the period and their interest in the ordinary share capital of the company were :

	Ordinary Shares of £1 each	
	30 September 2002	30 September 2001
JS Picken	750	750
J Picken	250	250

SMALL COMPANY DISCLOSURE

In preparing this report the directors have taken advantage of the special exemptions applicable to small companies on the grounds that the company is small.

BY ORDER OF THE BOARD

J Picken
Director

15 Carmunnock Road
Busby
Glasgow
G76 8SZ

24 July 2003

ACCOUNTANTS' REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF SPRINGMILE LIMITED

We report on the accounts for the year ended 30 September 2002 set out on pages 4 to 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 5 the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

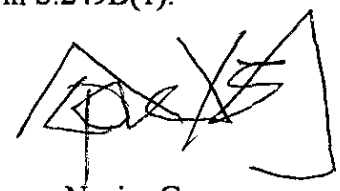
In our opinion :

a. The accounts are in agreement with the accounting records kept by the company under S.221 of the Companies Act 1985.

b. Having regard only to, and on the basis of, the information contained in those accounting records :

   i. the accounts have been drawn up in a manner consistent with the accounting requirements specified in S.249C of the Act; and

   ii. the company satisfied the conditions for exemption from an audit of the accounts for the year specified in S.249A(4) of the Act and did not, at any time, within that year, fall within any of the categories of companies not entitled to the exemption specified in S.249B(1).



Napier Gray
Chartered Accountants

Suite 245 Central Chambers
11 Bothwell Street
Glasgow
G2 6LY

24 July 2003

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2002

	Note	2002 £	2001 £
TURNOVER	2	203,861	209,463
Cost of Sales		35,807	40,498
GROSS PROFIT		168,054	168,965
Administrative expenses		198,249	193,407
		(30,195)	(24,442)
Other operating income		44,000	57,450
OPERATING PROFIT	3	13,805	33,008
Interest payable		234	46
Interest receivable		-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		13,571	32,962
Taxation on profit on ordinary activities	4	750	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		12,821	32,962
Retained Loss Brought Forward		(7,334)	(40,296)
RETAINED PROFIT CARRIED FORWARD		5,487	(7,334)

All amounts relate to continuing activities

There were no recognised gains and losses for 2002 or 2001 other than those included in the profit and loss account.

The notes on pages 6 and 8 form part of these financial statements.

BALANCE SHEET AS AT 30 SEPTEMBER 2002

	Note	2002	2001
		£	£
FIXED ASSETS			
Tangible assets	5	1,841	-
CURRENT ASSETS			
Stock		900	900
Cash in Bank		7,809	14,728
Debtors	6	64,708	49,532
		73,417	65,160
CREDITORS			
Amounts falling due within one year	7	68,771	71,494
NET CURRENT LIABILITIES		4,646	(6,334)
NET LIABILITIES		6,487	(6,334)
CAPITAL AND RESERVES			
Share capital	8	1,000	1,000
Profit and loss account		5,487	(7,334)
SHAREHOLDERS FUNDS		6,487	(6,334)

The directors have taken advantage of the exemption conferred by section 249A(2) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for ensuring that :

i) The company keeps accounting records which comply with section 221 of the Companies Act 1985 ;

ii) The financial statements give a true and fair view of the state of affairs of the company as at 30 September 2002 and of its profit or loss for the year then ended in accordance with the requirements section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as is applicable to the company.

In preparing these financial statements, the directors have taken advantage of the special exemptions applicable to small companies on the grounds that the company is small.

These financial statements were approved by the board on 24 July 2003 and signed on its behalf by:

J Picken
Director

The notes on pages 6 and 8 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2002 6

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and are in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000). The following accounting policies have been applied :

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in first out basis. Net realisable value is based on estimated selling price less additional costs to disposal.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, over their expected useful lives. It is calculated using the following methods and rates :

Equipment	- 20% per annum, straight line method

2 TURNOVER

The turnover and operating loss for the period were derived from the company's principal activity which was carried out wholly within the UK.

3 OPERATING PROFIT

	2002	2001
The operating profit is stated after charging :	£	£
Directors remuneration	9,216	10,400

4 TAXATION ON PROFIT FROM ORDINARY ACTIVITIES

	2002	2001
Based on the profit for the year at 12%	£	£
Corporation tax	750	-

5 TANGIBLE ASSETS

	Equipment
Cost	£
As at 30 September 2001	-
Additions	2,301
As at 30 September 2002	2,301
Aggregate Depreciation	
As at 30 September 2001	-
Charge for year	460
As at 30 September 2002	460
Net Book Value	
As at 30 September 2002	1,841
As at 30 September 2001	-

6 DEBTORS

	2002	2001
	£	£
Amount receivable within one year:		
Sundry debtors & prepayments	64,708	49,532
	64,708	49,532

7 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
	£	£
Trade creditors & accruals	28,426	22,522
Directors loan	22,328	31,109
Corporation tax	750	-
Other taxes and social security	17,267	17,863
	68,771	71,494

8 SHARE CAPITAL

	2002 No.	2001 No.
Authorised ordinary shares of £1 each	1,000	1,000
Issued and fully paid ordinary shares of £1 each	1,000	1,000

9 RELATED PARTY TRANSACTIONS

During the period the company had several transactions with Springbank Limited, Jaro Limited and Brooksby Limited. JS Picken and J Picken are directors and shareholders of both Jaro Limited and Brooksby Limited. JS Picken is both a director and shareholder of Springbank Limited.

The net effect of the various management charges raised/(suffered) are as follows :

Springbank Limited	4,000
Jaro Limited	20,000
Brooksby Limited	(2,500)

These transactions were made on an arms length basis during the normal course of trading.