SC 198263.

SPATIAL LIMITED

FINANCIAL STATEMENTS

Year to 31st July 2002



W KENNETH PALMER
Chartered Accountant

SPATIAL LIMITED

DIRECTORS	Keith Roberts Jeffrey Martin Eric Watson
SECRETARY	Keith Roberts Jeffrey
REGISTERED OFFICE	32 Argyle Place EDINBURGH EH9 1JT
ACCOUNTANT	W Kenneth Palmer Chartered Accountant 46 Moray Place EDINBURGH EH3 6BQ
COMPANY NUMBER	SC 198263

SPATIAL LIMITED

REPORT OF THE DIRECTORS

The Directors submit their report and financial statements for the year to 31st July 2002.

DIRECTORS' RESPONSIBILITY

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the Directors are required to:

a. select suitable accounting policies and apply them consistently;
b. make judgements and estimates that are reasonable and prudent;
c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The principal activity of the company is to import office furniture.

REVIEW OF THE BUSINESS

The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

DIRECTORS AND THEIR INTERESTS

The Directors at 31st July 2002 and their interests in the share capital of the company were as follows:

	Ordinary Shares of £1 each	
		2001
K R Jeffrey	1	1
M E Watson	1	1

The Directors have taken advantage, in the preparation of their report, of the special exemptions applicable to small companies.

Approved by the Directors on and signed on their behalf by:

EDINBURGH

Director

ACCOUNTANT'S REPORT

TO THE MEMBERS OF SPATIAL LIMITED

I have examined, without carrying out an audit, the financial statements for the year to 31st July 2002 set out on pages 4 to 6.

Respective responsibilities of directors and reporting accountant

As described on page 2, the company directors are responsible for the preparation of financial statements and they believe that the company is exempt from an audit. It is my responsibility to examine the financial statements and, based on my examination, to report my opinion, as set out below, to the shareholders.

Basis of opinion

I conducted my examination in accordance with the appropriate standards for reporting accountants issued by the Auditing Practices Board. This examination consisted of comparing the financial statements with the accounting records kept by the company and making such limited enquiries of the officers of the company as I considered necessary for the purposes of my report.

This examination was not an audit conducted in accordance with Auditing Standards. Accordingly, I do not express an audit opinion on the financial statements. Therefore my examination does not provide any assurance that the accounting records and financial statements are free from material misstatement.

Opinion

In my opinion:

1. the financial statements are in agreement with those accounting records kept by the company under section 221 of the Companies Act 1985;
2. having regard only to, and on the basis of, the information contained in those accounting records, the financial statements have been drawn up in a manner consistent with the provisions specified in section 249C(6) of the Act; and
3. having regard only to, and on the basis of, the information contained in the accounting records kept by the company under section 221, the company satisfied the requirement for the exemption from an audit of the financial statements for the year specified in section 294A(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 section 249B(1)(a) to (f).

EDINBURGH,
21st March 2003.

W KENNETH PALMER
Chartered Accountant

SPATIAL LIMITED

PROFIT AND LOSS ACCOUNT

for the year to 31st July 2002

	Note		2001
		£	£
TURNOVER	2	-	-
Cost of Sales		-	-
GROSS PROFIT		-	-
Administrative Expenses		87	91
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(87)	(91)
Tax	4	-	-
(LOSS) FOR THE FINANCIAL YEAR		(87)	(91)

The only result recognised by the company in the year was the loss in it. All of the activities undertaken by the company were continuing activities.

SPATIAL LIMITED

BALANCE SHEET

As at 31st July 2002

	Note	£	£	£	2001 £
FIXED ASSETS			-		-
CURRENT ASSETS					
Debtors		-		-	
Due by bank		-		977	
		-		977	
CREDITORS: amounts falling due within one year	5	1985		2875	
NET CURRENT (LIABILITIES)			(1985)		(1898)
			(1985)		(1898)
CREDITORS: amounts falling due after one year			-		-
			(1985)		(1898)
CAPITAL AND RESERVES					
Called Up Share Capital	6		2		2
Profit and Loss Account	7		(1987)		(1900)
SHAREHOLDERS' FUNDS			(1985)		(1898)

The Directors:

1. confirm that for the year to 31st July 2002 the company was entitled to the exemption under subsection (2) of section 249A;
2. confirm that no notice requiring an audit had been deposited under subsection (2) of section 249B in relation to the financial statements for the financial year; and
3. acknowledge their responsibility for:

    a. ensuring that the company keeps accounting records which comply with section 221; and
    b. preparing financial statements 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 and loss for the 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.

The Directors have taken advantage of the exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions as a small company.

Approved by the Directors and signed on their behalf on .

EDINBURGH Director

SPATIAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year to 31st July 2002

1. ACCOUNTING POLICIES

Accounting Convention
The financial statements are prepared under the historical cost convention.

Cash Flow Statement
The company qualifies as a small company under the Companies Act 1985. The Directors have elected to take advantage of the exemption under FRS1 not to prepare a cashflow statement.

2. TURNOVER

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities and is stated net of value added tax. Turnover arises wholly within the UK.

3. OPERATING RESULTS

	£	2001 £
The operating results are stated after charging:		
Directors' remuneration	None	None

4. TAXATION

Due to the loss for the period, no provision required to be made for Corporation Tax.

5. CREDITORS: amounts falling due within one year

Loans from directors	1885	2720
Provision for Corporation Tax	-	-
Other taxes and social security costs	-	-
Other creditors	100	155
	1985	2875

6. CALLED UP SHARE CAPITAL

Ordinary shares of £1 each Authorised	1000	1000
Allotted and issued, 2 shares	2	2

7. PROFIT AND LOSS ACCOUNT

Balance as at 31st July 2001	(1900)	(1809)
Results for the year	(87)	(91)
Balance as at 31st July 2002	(1987)	(1900)