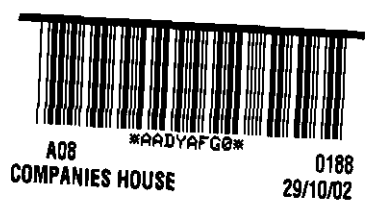


GRAY ELECTRICS (STAFFORD) LIMITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
31 AUGUST 2002**

COMPANY NUMBER:1375295



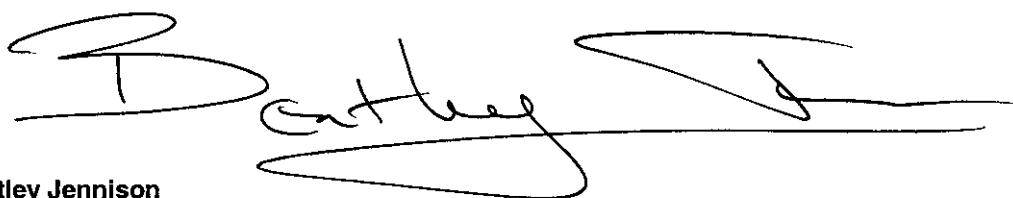
GRAY ELECTRICS (STAFFORD) LIMITED

The following reproduces the text of the accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 4) have been prepared.

**ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF GRAY ELECTRICS (STAFFORD) LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 August 2002 set out on pages 3 to 8 and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985.

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 of the company and from information and explanations supplied to us.

A handwritten signature in black ink, appearing to read 'Bentley Jennison', written over a horizontal line.

Bentley Jennison

Chartered Accountants

3 Hollinswood Court
Stafford Park 1
Telford
TF3 3BD

22ND OCTOBER 2002

GRAY ELECTRICS (STAFFORD) LIMITED

**ABBREVIATED BALANCE SHEET
As at 31 August 2002**

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible fixed assets	2	5,065	7,953
CURRENT ASSETS			
Stocks		7,769	7,940
Debtors		51,552	43,254
Cash at bank and in hand		4	10,215
		<u>59,325</u>	<u>61,409</u>
CREDITORS: amounts falling due within one year		<u>(29,141)</u>	<u>(26,311)</u>
NET CURRENT ASSETS		<u>30,184</u>	<u>35,098</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>35,249</u>	<u>43,051</u>
CAPITAL AND RESERVES			
Called up share capital	3	500	500
Profit and loss account		34,749	42,551
SHAREHOLDERS' FUNDS		<u>35,249</u>	<u>43,051</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 August 2002 and of its loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 22 OCTOBER 2002 and signed on its behalf.

S N Gray
Director

X S N Gray

[Signature]

The notes on pages 3 to 4 form part of these financial statements.

GRAY ELECTRICS (STAFFORD) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 August 2002

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and equipment	-	10.00%	straight line
Motor vehicles	-	25.00%	straight line
Fixtures and fittings	-	33.33%	straight line

1.5 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 September 2001 and 31 August 2002	<u>39,277</u>
Depreciation	
At 1 September 2001	31,324
Charge for the year	2,888
	<u>34,212</u>
Net book value	
At 31 August 2002	<u>5,065</u>
At 31 August 2001	<u>7,953</u>

GRAY ELECTRICS (STAFFORD) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 August 2002

3. SHARE CAPITAL

	2002	2001
	£	£
Authorised		
10,000 Ordinary shares of £1 each	10,000	10,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
500 Ordinary shares of £1 each	500	500
	<u> </u>	<u> </u>

4. RELATED PARTY TRANSACTIONS

The following transactions took place with Gray Properties, a business controlled by Mr S W Gray and The Bank House Cafe Bar Limited, a company controlled by Mr S W Gray. All were on normal commercial terms in the ordinary course of business.

	2002	2001
	£	£
Sales and services	53,997	-
Rent paid to director	-	14,400
Balance due from connected company at year end	40,000	20,000
Sales ledger balance due from connected business	1,278	-
	<u> </u>	<u> </u>

The following loans from the directors were outstanding during the year. Mr S W Gray current account £2,869 (2001 £5,362). The current account was not overdrawn at any time during the year.