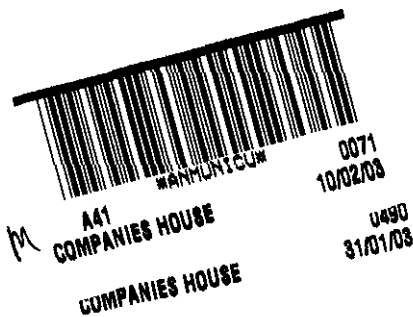


ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

FOR

MARPAUL SOUTHERN LIMITED



MARPAUL SOUTHERN LIMITED

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for the year ended 31 March 2002

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MARPAUL SOUTHERN LIMITED

COMPANY INFORMATION
for the year ended 31 March 2002

DIRECTORS:

Mr R J Clark
Mr R S Clark

SECRETARY:

Mrs P V Clark

REGISTERED OFFICE:

19-20 Bourne Court
Southend Road
Woodford Green
Essex IG8 8HD

REGISTERED NUMBER:

1446829

AUDITORS:

RAFFINGERS
Chartered Certified Accountants
Registered Auditors
19-20 Bourne Court
Southend Road
Woodford Green
Essex IG8 8HD

MARPAUL SOUTHERN LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO
MARPAUL SOUTHERN LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31 March 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors


The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.



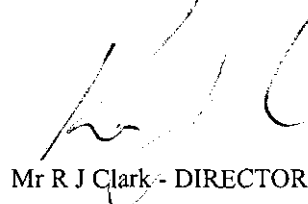
RAFFINGERS
Chartered Certified Accountants
Registered Auditors
19-20 Bourne Court
Southend Road
Woodford Green
Essex IG8 8HD

Dated: 14 January 2003

MARPAUL SOUTHERN LIMITED**ABBREVIATED BALANCE SHEET****31 March 2002**

		<u>2002</u>		<u>2001</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		60,633		65,236
CURRENT ASSETS:					
Stocks		238,093		226,716	
Debtors		479,763		524,057	
Cash at bank and in hand		464,468		528,275	
		1,182,324		1,279,048	
CREDITORS: Amounts falling due within one year	3	667,651		693,881	
NET CURRENT ASSETS:			514,673		585,167
TOTAL ASSETS LESS CURRENT LIABILITIES:			575,306		650,403
CREDITORS: Amounts falling due after more than one year	3		1,071,933		1,071,933
			£(496,627)		£(421,530)
CAPITAL AND RESERVES:					
Called up share capital	4		25,000		25,000
Profit and loss account			(521,627)		(446,530)
SHAREHOLDERS' FUNDS:			£(496,627)		£(421,530)

These abbreviated financial statements have 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:


Mr R J Clark - DIRECTOR

Approved by the Board on 7 January 2003

The notes form part of these financial statements

MARPAUL SOUTHERN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2002

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These accounts have been prepared on the going concern basis as the directors consider that the company continues to be a going concern. Further information is provided in note 13.

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 work done 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.

Plant and office equipment	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

MARPAUL SOUTHERN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2002

2. TANGIBLE FIXED ASSETS

	<u>Total</u>
	£
COST:	
At 1 April 2001	326,254
Additions	18,018
Disposals	<u>(24,608)</u>
At 31 March 2002	<u>319,664</u>
DEPRECIATION:	
At 1 April 2001	261,019
Charge for year	20,212
Eliminated on disposals	<u>(22,200)</u>
At 31 March 2002	<u>259,031</u>
NET BOOK VALUE:	
At 31 March 2002	<u>60,633</u>
At 31 March 2001	<u>65,236</u>

3. CREDITORS

The following secured debts are included within creditors:

	2002	2001
	£	£
Bank overdrafts	248,073	355,032
Hire purchase contracts	-	6,211
	<u>248,073</u>	<u>361,243</u>

4. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	2002	2001
		value:	£	£
50,000	ordinary	£1	<u>50,000</u>	<u>50,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal	2002	2001
		value:	£	£
25,000	ordinary	£1	<u>25,000</u>	<u>25,000</u>

5. ULTIMATE PARENT COMPANY

The ultimate parent company is Marpaul Group Limited.

MARPAUL SOUTHERN LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 March 2002

6. GOING CONCERN AND CONTINGENT ASSET

On 24 February 1999 the company entered into a corporate voluntary arrangement, pursuant to section 1 of the Insolvency Act 1986, whereby creditors and members have agreed that Paul Robert Appleton ACA of Messrs David Rubin & Company, 319 Ballards Lane, London N12 8LY act as supervisor of the voluntary arrangement for the purposes of supervising its implementation. The company satisfied the terms of the CVA after the year end and it has no further obligations to the supervisor.

The arrangement requests the company to make total contributions of £1,116,000 over three years by way of monthly instalments of £31,000. These funds, after costs, should provide a dividend of 100p in the £ to both the preferential and the unsecured creditors. At the balance sheet date the company had made contributions of £558,000 (2001 - £496,000).

The arbitration hearing for the dispute which originally resulted in the company entering a voluntary arrangement has now been completed. The company was awarded an interim amount of £130,487 which has been included in debtors with the award of a second amount still pending. The amount of this second award should be known by early 2003 but at present is unquantifiable and is therefore not included anywhere in these accounts.

On 11 June 2001, a creditors meeting was held at which the creditors agreed to the company's proposal that the contributions paid to date into the voluntary arrangement together with the proceeds from the outcome of the arbitration hearing would be utilised in full and final settlement of the amounts owed to creditors included in the arrangement.