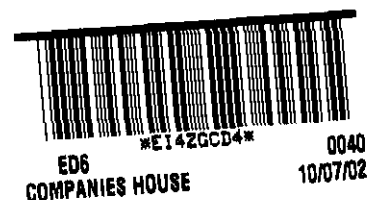


PAUL FAIRWEATHER & COMPANY GROUP LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
31ST DECEMBER 2001



WALTER HUNTER & CO
Chartered Accountants & Registered Auditors
24 Bridge Street,
Newport,
South Wales

PAUL FAIRWEATHER & COMPANY GROUP LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

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PAUL FAIRWEATHER & COMPANY GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of the company for the year ended 31st December 2001 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and 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 accounts and that the abbreviated accounts 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 financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

Walter Hunter & Co

24 Bridge Street,
Newport,
South Wales
NP20 4SF

WALTER HUNTER & CO
Chartered Accountants
& Registered Auditors

20th May 2002

PAUL FAIRWEATHER & COMPANY GROUP LIMITED

ABBREVIATED BALANCE SHEET

31ST DECEMBER 2001

	Note	2001		2000	
		£	£	£	£
FIXED ASSETS	2				
Tangible assets		9,338		12,451	
Investments		<u>308,860</u>		<u>308,140</u>	
		318,198		320,591	
CURRENT ASSETS					
Debtors		484,903		486,057	
Cash at bank and in hand		<u>733</u>		<u>938</u>	
		485,636		486,995	
CREDITORS: Amounts falling					
Due within one year		<u>(563,738)</u>		<u>(536,351)</u>	
NET CURRENT LIABILITIES			(78,102)		(49,356)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>240,096</u>		<u>271,235</u>	
CAPITAL AND RESERVES					
Called-up equity share capital	3	2,322		2,322	
Share premium account		163,680		163,680	
Profit and Loss Account		<u>74,094</u>		<u>105,233</u>	
SHAREHOLDERS' FUNDS		<u>240,096</u>		<u>271,235</u>	

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 20th May 2002 and are signed on their behalf by:

I.M. Fairweather
I.M. FAIRWEATHER

PAUL FAIRWEATHER & COMPANY GROUP LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

1. ACCOUNTING POLICIES

Basis of accounting

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).

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor vehicles - 25% on written down value

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

2. FIXED ASSETS

	Tangible Fixed Assets £	Investments £	Total £
COST			
At 1st January 2001 and 31st December 2001	<u>25,196</u>	<u>308,860</u>	<u>334,056</u>
DEPRECIATION			
At 1st January 2001	12,745	-	12,745
Charge for year	<u>3,113</u>	-	<u>3,113</u>
At 31st December 2001	<u>15,858</u>	-	<u>15,858</u>
NET BOOK VALUE			
At 31st December 2001	<u>9,338</u>	<u>308,860</u>	<u>318,198</u>
At 31st December 2000	<u>12,451</u>	<u>308,860</u>	<u>321,311</u>

PAUL FAIRWEATHER & COMPANY GROUP LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

3. SHARE CAPITAL

Authorised share capital:

	2001	2000
	£	£
12,320 Ordinary shares of £1.00 each	<u>12,320</u>	<u>12,320</u>

Allotted, called up and fully paid:

	2001	2000
	£	£
Ordinary share capital	<u>2,322</u>	<u>2,322</u>