

COMPANY NUMBER: 2877675

HIGHGROVE CONTROL SYSTEMS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2001

**WATERMARK FINANCIAL SERVICES LIMITED
INCORPORATED COMPANY ACCOUNTANTS**

**1 HOGARTH HOUSE
SUTTON GROVE
SUTTON
SURREY
SM1 4TG**



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COMPANIES HOUSE

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HIGHGROVE CONTROL SYSTEMS LIMITED

Detailed Profit and Loss Account For The Year Ended 31 December 2001

	2001		2000	
	£	£	£	£
TURNOVER:		220,331		123,348
		<u>220,331</u>		<u>123,348</u>
Less: Cost of Sales				
Materials	66,054		27,439	
Equipment Hire	56		257	
Small tools	52		0	
Salaries	<u>61,411</u>		<u>35,523</u>	
		<u>127,573</u>		<u>63,219</u>
Gross profit		92,757		60,129
Other income				
Bank Interest		0		0
Sundry income		<u>0</u>		<u>0</u>
		92,757		60,129
Expenses				
Directors Salaries	50,319		39,410	
Administration Salaries	20,860		2,510	
Test & monitoring	0		0	
Motor expenses & Travel	7,033		2,303	
Printing, postage & stationery	2,406		314	
Telephone & fax	482		2,509	
Entertaining/Promotions	0		0	
Legal expenses	0		0	
Bank charges & interest	728		474	
Loan Interest	1,889			
Storage	4,160		4,160	
Audit and accountancy	400		400	
Depreciation	769		779	
Insurances	2,720		3,278	
Taxation	0		0	
Repairs & maintenance	782		2,077	
Protective clothing	0		0	
Computer maintenance	0		0	
Subsistence	0		0	
Subscriptions	591		137	
Sundry expenses	<u>200</u>		<u>150</u>	
		<u>93,340</u>		<u>58,501</u>
Profit \ (Loss) Before Taxation		<u>(583)</u>		<u>1,627</u>

THIS PAGE DOES NOT FORM PART OF THE STATUTORY FINANCIAL ACCOUNTS

**HIGHGROVE CONTROL SYSTEMS LIMITED
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FOR THE YEAR ENDED 31 DECEMBER 2001**

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HIGHGROVE CONTROLS SYSTEMS LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2001

The director presents his report, together with the statutory statements of the Company for the accounting period ended 31 December 2001.

PRINCIPLE ACTIVITY

The company's principle activity during the period was the installation of Electronic Control Systems.

DIRECTORS AND THEIR INTERESTS

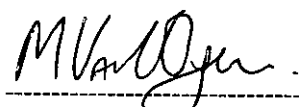
The directors who served during the year and their interests in the share capital of the company at 31 December 2001 were as follows:

	Ordinary Shares of £1 Each	
	31.12.01	31.12.00
P. Van Ooyen	1	1
M. Van Ooyen	1	1

SMALL COMPANY EXEMPTIONS

The directors have taken advantage of the exemptions conferred by Part II of Schedule 8 to the Companies Act 1985.

By Order of The Board



M. Van Ooyen
Secretary

Registered Office
109 Grove Road
Sutton
Surrey
SM1 2DB

HIGHGROVE CONTROL SYSTEMS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001

		2001		2000	
	Note	£	£	£	£
TURNOVER	1(b)		220,331		123,348
Cost of sales			<u>(127,573)</u>		<u>(63,219)</u>
Gross profit			92,757		60,129
Administrative expenses			<u>(93,300)</u>		<u>(58,456)</u>
Operating Profit / (Loss)	2		(543)		1,673
Interest receivable	4	0		0	
Sundry income		0		0	
Interest payable	5	<u>(40)</u>	<u>(40)</u>	<u>(45)</u>	<u>(45)</u>
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION			(583)		1,627
Tax on Profit / (Loss) on ordinary activities	6		<u>0</u>		<u>0</u>
PROFIT / (LOSS) FOR THE FINANCIAL YEAR	12		(583)		1,627
Retained profit/loss brought forward			<u>(279)</u>		<u>(1,906)</u>
Retained profit/loss carried forward			<u><u>(862)</u></u>		<u><u>(279)</u></u>

There were no recognised gains or losses in the year or previous period other than those dealt with in the profit and loss account

HIGHGROVE CONTROL SYSTEMS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2001

		2001	2000
	Note	£	£
FIXED ASSETS			
Cost	7	6,865.00	3,120.00
Depreciation		<u>1,974.00</u>	<u>779.00</u>
		4,891.00	2,341.00
CURRENT ASSETS			
Trade Debtors	3	0.00	67,474.00
Cash in Hand and at Bank		22,047.00	17,657.00
Other Debtors		<u>0.00</u>	<u>0.00</u>
		26,938.00	87,472.00
Creditors - amounts falling due within one year	4	<u>(27,798.00)</u>	<u>60,918.00</u>
Total Current Assets Less Current Liabilities		(860.00)	26,554.00
Creditors - amounts falling due after more than one year		<u>0</u>	<u>26,830.00</u>
		<u>(860.00)</u>	<u>(276.00)</u>
CAPITAL AND RESERVES			
Called up share capital	5	2.00	2.00
Profit and Loss Account		<u>(862.00)</u>	<u>(278.00)</u>
Total Equity Shareholder's Funds		<u>(860.00)</u>	<u>(276.00)</u>

For the year ended 31 December 2001 the company was entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985. No notice has been deposited with the company under section 249B(2) of that Act requiring an audit to be carried out.

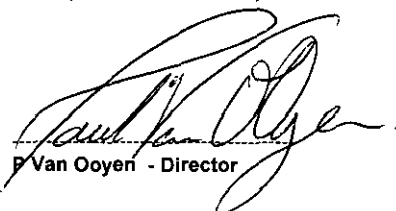
The directors acknowledge their responsibility for:

(a) ensuring the company keeps accounting records in accordance with section 221 of the Companies Act 1985; 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 its financial period and of its loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985 and which otherwise comply with the accounting requirements of that Act relating to the financial statements so far as they are applicable to the company.

The directors have taken advantage of the exemption conferred by Part 1 of Schedule 8 to the Companies Act 1985 on the grounds that the company is entitled to the benefit of these exemptions as a small company.

The financial statements on pages 2 to 6 were approved by the Board of Directors on 31 January 2003 and are signed on its behalf by:


P Van Ooyen - Director

HIGHGROVE CONTROL SYSTEMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 1 DECEMBER 2001

1. ACCOUNTING POLICIES

The principal accounting policies adopted are described below:

(a) Accounting Convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Turnover

Turnover represents amounts received from third parties. Turnover is attributable to one continuing activity within the United Kingdom.

(c) Going Concern

The balance sheet on page 3 shows a net current negative position in shareholders funds at 31 December 2001.

The directors are confident that the company won't continue to trade in this position for the foreseeable future. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

2. OPERATING PROFIT (LOSS)

	Period Ended 31 December 2001 £	Period Ended 31 December 2000 £
This is stated after charging:		
Directors' remuneration	50319	39410
Auditors' remuneration	-	-
	-----	-----

3. DEBTORS

	2001 £	2000 £
Trade debtors	0	67474
Cash at Bank	22047	17657
Other Debtors	0	0
	-----	-----
	22047	85131
	-----	-----

HIGHGROVE CONTROL SYSTEMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2001

	2001	2000
4. CREDITORS - Amounts falling due within one year	£	£
Trade Creditors		47930
Corporation Tax		
Taxation & Social Security	4366	12988
Other Creditors	23432	26830
	-----	-----
	27798	87748
	-----	-----

5. CALLED UP SHARE CAPITAL

	2001	2000
	£	£
Authorised		
1000 ordinary shares of £1 each	1000	1000
	-----	-----
Allotted and called up 2 ordinary shares of £1 each	2	2
	-----	-----

The shares were not fully paid up at 31 December 2001.

6. RECONCILLATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Period Ended 31 December 2001	Period Ended 31 December 2000
	£	£
At 1 January 2001	2	2
Profit/ (Loss) for the year	(862)	(278)
	-----	-----
	(860)	(276)
	-----	-----

HIGHGROVE CONTROL SYSTEMS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2001

7. FIXED ASSETS

Fixed assets are depreciated at 25% of cost on a reducing balance basis.

	Office Equipment	Vans	Motorbike	Computer
	£	£	£	£
WDV b/fwd at 01/01/01	177	1162	221	355
Additions	-	3745	-	-
	<u>177</u>	<u>4907</u>	<u>221</u>	<u>355</u>
Charge for the year	33	621	44	71
Balance c/fwd to 31/12/01	<u>144</u>	<u>4286</u>	<u>177</u>	<u>284</u>

The total depreciation charged in the accounts for the accounting period was £769.00.