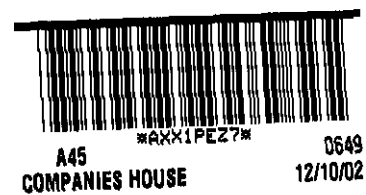


Registered number
2895959

MACHLIN LIMITED

Report and Accounts

31 December 2001



MACHLIN LIMITED
Report and accounts
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MACHLIN LIMITED
Company Information

Director

B Hodge

Secretary

C Worden-Hodge

Auditors

Hanafin Klein
The House
High Street
Brenchley
Tonbridge
Kent, TN12 7NQ

Registered office

The House
High Street
Brenchley
Tonbridge
Kent TN12 7NQ

Registered number

2895959

MACHLIN LIMITED

Director's Report

The director presents his report and accounts for the year ended 31 December 2001.

Principal activities

The company's principal activity during the year continued to be the provision of management services in a foreign exchange environment.

Director

The director who served during the year and his interest in the share capital of the company were as follows:

	£1 Ordinary shares	
	2001	2000
B Hodge	17,760	1,000

Director's responsibilities

Company law requires the director to prepare accounts 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 for that period. In preparing those accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the accounts comply with the Companies Act 1985. He is 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.

Auditors

A resolution to reappoint Hanafin Klein as auditors will be put to the members at the Annual General Meeting.

Small company special provisions

The report of the director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 15 March 2002.



C Worden-Hodge
Secretary

MACHLIN LIMITED
Auditors' Report

**Report of the auditors
to the shareholders of MACHLIN LIMITED**

We have audited the accounts on pages 4 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

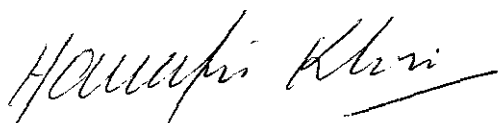
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



Hanafin Klein
Chartered Accountants and Registered Auditors

The House
High Street
Brenchley
Tonbridge
Kent, TN12 7NQ

15 March 2002

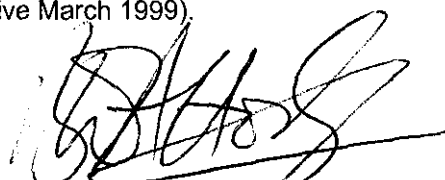
MACHLIN LIMITED
Profit and Loss Account
for the year ended 31 December 2001

	Notes	2001 £	2000 £
Turnover		4,500	47,249
Administrative expenses		(6,282)	(42,038)
Operating (loss)/profit	2	(1,782)	5,211
Interest receivable		-	66
Interest payable		(1,613)	-
(Loss)/profit on ordinary activities before taxation		(3,395)	5,277
Tax on (loss)/profit on ordinary activities	3	-	49
(Loss)/profit for the financial year		(3,395)	5,326
Dividends		-	(24,000)
Retained loss for the financial year	8	<u>(3,395)</u>	<u>(18,674)</u>

MACHLIN LIMITED
Balance Sheet
as at 31 December 2001

	Notes	2001 £	2000 £
Fixed assets			
Tangible assets	4	1,611	685
Current assets			
Debtors	5	-	14,100
Cash at bank and in hand		4,828	760
		<u>4,828</u>	<u>14,860</u>
Creditors: amounts falling due within one year	6	(3,184)	(10,655)
Net current assets		<u>1,644</u>	<u>4,205</u>
Net assets		<u>3,255</u>	<u>4,890</u>
Capital and reserves			
Called up share capital	7	17,760	16,000
Profit and loss account	8	(14,505)	(11,110)
Shareholders' funds		<u>3,255</u>	<u>4,890</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective March 1999).



B Hodge
 Director

Approved by the board on 15 March 2002

MACHLIN LIMITED**Notes to the Accounts****for the year ended 31 December 2001****1 Accounting policies*****Accounting convention***

The accounts have been prepared under the historical cost convention.

Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and machinery	20% straight line
Motor vehicles	20% straight line

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

2 Operating profit

This is stated after charging:

	2001 £	2000 £
Depreciation of owned fixed assets	229	2,081
Directors' remuneration	-	6,783
	<hr/>	<hr/>

3 Taxation

	2001 £	2000 £
Current year		
UK corporation tax at 20%	811	1,598
Prior years	(860)	2,039
	<hr/>	<hr/>
	-	(49)

MACHLIN LIMITED
Notes to the Accounts
for the year ended 31 December 2001

4 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Total £
Cost			
At 1 January 2001	9,806	15,318	25,124
Additions	-	1,155	1,155
At 31 December 2001	<u>9,806</u>	<u>16,473</u>	<u>26,279</u>
Depreciation			
At 1 January 2001	9,806	14,633	24,439
Charge for the year	-	229	229
At 31 December 2001	<u>9,806</u>	<u>14,862</u>	<u>24,668</u>
Net book value			
At 31 December 2001	<u>-</u>	<u>1,611</u>	<u>1,611</u>
At 31 December 2000	<u>-</u>	<u>685</u>	<u>685</u>

5 Debtors

	2001 £	2000 £
Other debtors	<u>-</u>	<u>14,100</u>

6 Creditors: amounts falling due within one year

	2001 £	2000 £
Trade creditors	2,765	1,392
Corporation tax	12	811
Other taxes and social security costs	226	(296)
Other creditors	181	8,748
	<u>3,184</u>	<u>10,655</u>

7 Share capital

	2001 £	2000 £
Authorised:		
Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>

	2001 No	2000 No	2001 £	2000 £
Allotted, called up and fully paid:				
Ordinary shares of £1 each	16,000	16,000	<u>17,760</u>	<u>16,000</u>

Movement in share capital

	2001 £	2000 £
At 1 January	16,000	2,000
Shares issued	1,760	14,000
At 31 December	<u>17,760</u>	<u>16,000</u>

MACHLIN LIMITED
Notes to the Accounts
for the year ended 31 December 2001

8 Profit and loss account	2001	2000
	£	£
At 1 January	(11,110)	7,564
Retained loss	(3,395)	(18,674)
At 31 December	<u>(14,505)</u>	<u>(11,110)</u>