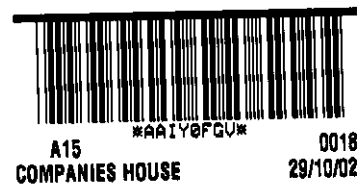


300374 C.H.

**SMB ACCOUNTANCY SERVICES LIMITED - FINANCIAL RESULTS FOR THE  
YEAR TO 31 MARCH 2002**

**DIRECTORS' REPORT  
AND  
FINANCIAL STATEMENTS  
PRESENTED TO  
THE SHAREHOLDERS**



**SMB ACCOUNTANCY SERVICES LIMITED - FINANCIAL RESULTS FOR THE  
YEAR TO 31 MARCH 2002**

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**SMB ACCOUNTANCY SERVICES LIMITED - FINANCIAL RESULTS FOR THE  
YEAR TO 31 MARCH 2002**

**Director**

C.J.K. Arkell

**Secretary**

Marina Arkell

**Registered office**

32 Addison Grove  
London W4 1ER

**Details of incorporation**

The Company was incorporated on 20 September 1995 in England and Wales with  
Company Registration Number 3104374.

**Bankers**

National Westminster Bank plc

**Reporting Accountant**

M.O. Sampson F.C.A.  
Chartered Accountant and Registered Auditor  
7 Garthside  
Church Road  
Ham, Richmond  
Surrey TW10 5JA

**SMB ACCOUNTANCY SERVICES LIMITED - FINANCIAL RESULTS FOR THE  
YEAR TO 31 MARCH 2002**

**Director's Report**

The Director hereby submits his report and financial statements of the company for the year ended 31 March 2002.

**Principal Activities**

The Company has traded throughout the year. The principal activity of the company continues to be that of providing accounting services.

**Results and dividends**

The results for the period are fully reflected in the financial statements.

Interim dividends of £2,000 (£600 – 2001) were paid on 1 October 2001 and £250 on 1 December 2001 and a final dividend of £750 (£2,400 – 2001) was declared on 30 April 2002, making dividends of £3,000 for the year.

**Director**

The director who served during the period and his interests in the shares of the company at the period end was as follows:

| No. of ordinary shares | 31.3.02 | 31.3.01 |
|------------------------|---------|---------|
| C.J.K. Arkell          | 600     | 600     |

**Reporting Accountant**

The Director considers that for the year ended 31 March 2002 the company was entitled to exemption from a statutory audit under section 249A of the Companies Act 1985. The director has re-appointed Mr. M.O. Sampson, F.C.A. as Reporting Accountant, and Mr. Sampson has agreed to continue to act.

By Order of the Board



Marina Arkell  
Company Secretary  
14 October 2002

**SMB ACCOUNTANCY SERVICES LIMITED - FINANCIAL RESULTS FOR THE  
YEAR TO 31 MARCH 2002**

**Statement of Director's Responsibilities**

I am required under company law to prepare financial statements 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 of the company for that period. In preparing those financial statements I am required to:

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

I am also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and for enabling them to ensure that the financial statements comply with the Companies Act 1985. I have general responsibility for taking such steps as are reasonably open to me to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

By order of the Board

C.J.K. Arkell (Director)

Date 14 October 2002

**SMB ACCOUNTANCY SERVICES LIMITED - FINANCIAL RESULTS FOR THE  
YEAR TO 31 MARCH 2002**

**Accountant's Report to the Shareholders on the Un-audited Accounts of SMB  
Accountancy Services Ltd.**

I report on the un-audited accounts for the year ended 31 March 2002 as set out on pages 7 to 10.

**Respective responsibilities of directors and auditors**

As described on page 3, the company's director is responsible for the preparation of financial statements and he considers that the company is exempt from audit. It is my responsibility to carry out procedures designed to enable me to report my opinion to you.

**Basis of opinion**

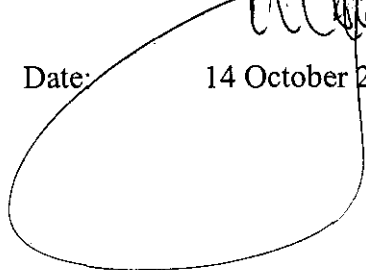

I conducted my financial review in accordance with the Statement of Standards for Reporting Accountants, and so my procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as I considered necessary for the purposes of this report. These procedures provide only the assurance expressed in my opinion.

**Opinion**

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
  - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
  - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act, and did not at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

M. O. Sampson, Reporting Accountant

Date: 14 October 2002



**SMB ACCOUNTANCY SERVICES LIMITED - FINANCIAL RESULTS FOR THE  
YEAR TO 31 MARCH 2001**

**PROFIT AND LOSS ACCOUNT**

|   | <u>Notes</u> | <u>£</u><br><u>2002</u> | <u>£</u><br><u>2001</u> |
|---|--------------|-------------------------|-------------------------|
| <b>Turnover</b>                                     |              | 10,847                  | 10,470                  |
| Administrative expenses                             |              | <u>(1,995)</u>          | <u>(2,498)</u>          |
| <b>Profit on ordinary activities before tax</b>     | 2            | 8,852                   | 7,972                   |
| Tax on ordinary activities                          | 3            | <u>(1,352)</u>          | <u>(1,142)</u>          |
| <b>Profit on ordinary activities after taxation</b> |              | 7,500                   | 6,830                   |
| Dividend  |              | <u>(3,000)</u>          | <u>(3,000)</u>          |
| <b>Movement to/(from)</b>                           |              | <u>4,500</u>            | <u>3,830</u>            |
| <b>Profit and Loss reserves</b>                     |              |                         |                         |

The notes on page 9 form part of these accounts

None of the company's activities were acquired or discontinued during the above two financial years.

Other than the above, there are no other recognised gains or losses for the above two financial years.

**SMB ACCOUNTANCY SERVICES LIMITED - FINANCIAL RESULTS FOR THE  
YEAR TO 31 MARCH 2002**

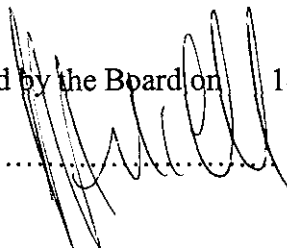
**BALANCE SHEET**

|  | Notes | £<br><u>2002</u> | £<br><u>2002</u> | £<br><u>2001</u> | £<br><u>2001</u> |
|--|-------|------------------|------------------|------------------|------------------|
| <b>FIXED ASSETS</b>                    |       |                  |                  |                  |                  |
| Investments                            |       |                  | 200              |                  | 200              |
| <b>CURRENT ASSETS</b>                  |       |                  |                  |                  |                  |
| Debtors and prepayments                | 5     | 7,549            |                  | 5,050            |                  |
| Cash at bank                           |       | <u>6,571</u>     |                  | <u>5,017</u>     |                  |
|  |       | 14,120           |                  | 10,067           |                  |
| <b>CURRENT LIABILITIES</b>             |       |                  |                  |                  |                  |
| Amounts falling due in one year        |       | <u>(3,616)</u>   |                  | <u>(4,063)</u>   |                  |
| <b>NET CURRENT ASSETS</b>              |       |                  | 10,504           |                  | 6,004            |
| Creditors due after more than one year |       |                  | <u>Nil</u>       |                  | <u>Nil</u>       |
| <b>NET ASSETS</b>                      |       |                  | <u>10,704</u>    |                  | <u>6,204</u>     |
| <b>CAPITAL AND RESERVES</b>            |       |                  |                  |                  |                  |
| Called up share capital                | 6     |                  | 1,000            |                  | 1,000            |
| Reserves                               |       |                  | <u>9,704</u>     |                  | <u>5,204</u>     |
| <b>SHAREHOLDERS FUNDS</b>              | 7     |                  | <u>10,704</u>    |                  | <u>6,204</u>     |
| (All equity interests)                 |       |                  |                  |                  |                  |

For the year ended 31 March 2002, the company was entitled, in the director's opinion, to exemption under subsection (1) of section 249A of the Companies Act 1985 and no notice has been deposited under subsection (2) of section 249B of that Act in relation to the financial year then ended. The director acknowledges his responsibility for ensuring that the company keeps accounting records that comply with section 221 of the Companies Act 1985 as well as for preparing the accounts which give a true and fair view of the state of affairs of the company as at 31 March 2002 and its profit and loss for the financial year then ended in accordance with the requirements of the 1985 Act and which otherwise comply with the requirements of the 1985 Act relating to accounts, so far as applicable to the company.

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

The financial statements were approved by the Board on 14 October 2002 and signed on its behalf by Mr. C.J.K. Arkell

.....  




**SMB ACCOUNTANCY SERVICES LIMITED - FINANCIAL RESULTS FOR THE  
YEAR TO 31 MARCH 2002**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. ACCOUNTING POLICIES**

(a) Convention - These financial statements are prepared in accordance with the historical cost convention on consistent and prudent bases presuming the company to be carrying on its business as a going concern. They include the activities described in the Director's Report, all of which are continuing.

(b) Foreign Currency - Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of transaction. All transactions denominated in foreign currencies outstanding at the balance sheet date are converted to sterling at the rate ruling on the balance sheet date and any profit or loss arising therefrom taken to the profit and loss account. The company had no long term unsettled monetary items at the balance sheet date.

(c) Depreciation - Depreciation, calculated on cost, is provided on a straight line basis over the anticipated life of the asset. The anticipated life of the asset is generally deemed to be not more than

Computer equipment -        4 years

In the view of the director it is considered that the net book value shown in the accounts represents current disposal value.

**2. PROFIT AND LOSS**

The profit is stated after charging:

|                                     |          |
|-------------------------------------|----------|
|                                     | <u>£</u> |
| Reporting accountant's remuneration | 300      |

**3. CURRENT TAXATION**

|   |              |              |
|---|--------------|--------------|
|   | <u>£</u>     | <u>£</u>     |
|   | <u>2002</u>  | <u>2001</u>  |
| UK Corporation Tax – current tax on income for the year | <u>1,352</u> | <u>1,142</u> |

**SMB ACCOUNTANCY SERVICES LIMITED - FINANCIAL RESULTS FOR THE  
YEAR TO 31 MARCH 2002**

**4. TANGIBLE FIXED ASSETS – FIXTURES AND FITTINGS**

|                              | £            |
|------------------------------|--------------|
|                              | <u>Total</u> |
| Cost brought forward         | 1,000        |
| Additions in year            | <u>.....</u> |
| Cost carried forward         | <u>1,000</u> |
| Depreciation brought forward | 1,000        |
| Charge in year               | <u>.....</u> |
| Depreciation carried forward | <u>1,000</u> |
| Net book value 31 March 2002 | <u>Nil</u>   |
| Net book value 31 March 2001 | <u>Nil</u>   |

|  |             |             |
|--|-------------|-------------|
| <b>5. DEBTORS DUE AFTER MORE THAN ONE YEAR</b> | <u>2002</u> | <u>2001</u> |
| Debtors due after more than one year           | Nil         | Nil         |
| <b>6. CALLED UP SHARE CAPITAL</b>              | <u>2002</u> | <u>2001</u> |
| Ordinary shares of £1 each:                    |             |             |
| Authorised                                     | 10,000      | 10,000      |
| Allotted and fully paid                        | 1,000       | 1,000       |

**7. RESERVES AND SHAREHOLDERS FUNDS**

|                                       | £              | £                                      | £                                      |
|---------------------------------------|----------------|--|--|
|                                       | <u>Total</u>   | <u>Called up<br/>share<br/>capital</u> | <u>Profit and<br/>Loss<br/>account</u> |
| Opening balance                       | 6,204          | 1,000                                  | 5,204                                  |
| Transfer from Profit and Loss account | 7,500          |  | 7,500                                  |
| Dividends paid in financial year      | <u>(3,000)</u> | <u>N/A</u>                             | <u>(3,000)</u>                         |
| Closing balance                       | <u>10,704</u>  | <u>1,000</u>                           | <u>9,704</u>                           |