

RICHMOND MIRRORS LIMITED

(Company No : 3444575)

ACCOUNTS

FOR THE YEAR ENDED 30TH NOVEMBER 2001



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RICHMOND MIRRORS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH NOVEMBER 2001

ACCOUNTS

The Directors present their Annual Report and Audited Accounts for the Year Ended 31st November 2001.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company Law requires the Directors 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, the Directors are required to :

- a. Select suitable accounting policies and then apply them consistently.
- b. Make judgements and estimates that are reasonable and prudent.
- c. Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are 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.

PRINCIPAL ACTIVITY

The Principal Activity of the Company is that of Design & Production of Mirrors and there has been no significant change in the activities of the Company during the Year under review.

REVIEW OF THE BUSINESS & FUTURE DEVELOPMENT

During the Year under Review, the Management Team have continued the rationalisation of the business. The Management Team are now confident of the future of the business.

RESULTS & DIVIDENDS

The Loss for the Year amounted to £317,098. The Directors do not recommend payment of a Dividend for the Year under review.

RICHMOND MIRRORS LIMITED
REPORT OF THE DIRECTORS (Continued)
FOR THE YEAR ENDED 30TH NOVEMBER 2001

EXPORTS

No Goods were exported from the United Kingdom by the Company during the Year under review.

FIXED ASSETS

Details of Fixed Assets are given in Note 9 to the Accounts

DIRECTORS

The Directors who served on the Board during the Period and their interests in the Share Capital as at 30th November 2001 were as follows.

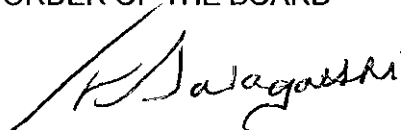
	<u>30th November 2001</u>	<u>Period 1st April 2000 To 30th November 2000</u>
P. Wall	45	45

AUDITORS

The Auditors, Messrs. Cole & Co., have indicated their willingness to continue in office and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

In Preparing the above report the Directors have taken advantage of the special exemption applicable to small companies.

BY ORDER OF THE BOARD



J. Saragoussi
SECRETARY

31st December 2002

REPORT OF THE AUDITORS TO THE MEMBERS OF
RICHMOND MIRRORS LIMITED

We have audited the Financial Statements set out on Pages 4 to 10 in accordance with Auditing Standards.

Respective Responsibilities of Directors and Auditors

As described on Page 1 the Company's directors are responsible for the preparation of Financial Statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 an examination on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the Financial Statements, 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 Financial Statements are free from material mis-statement, 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 Financial Statements.

Fundamental Uncertainty

In forming our opinion, we have considered the adequacy of disclosure made in the Financial Statements concerning the probable outcome of negotiations for additional finance being made available. The Financial Statements have been prepared on a going concern basis, the validity of which depends on funding being available and the future support of the Company's Directors.

Limitation in Scope

Because of the possible effect of the limitation in evidence available to us concerning Stock, Work in Progress and Debtors, we are unable to verify whether the Financial Statements give a true and fair view of the Company Affairs as at 30th November 2001 and of its Loss for the Year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

400 Harrow Road
LONDON, W9 2HU

Cole & Co.,
Chartered Accountants
and Registered Auditors
LONDON

31st December 2002

RICHMOND MIRRORS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH NOVEMBER 2001

NOTES

		<u>Period</u> <u>1st April 2000 to</u> <u>30th November 2000</u>
	<u>30th November 2001</u>	
2. <u>TURNOVER</u>	3,609,488	1,364,535
Cost of Sales	(2,951,244)	(1,642,365)
	<hr/>	<hr/>
<u>GROSS PROFIT/(LOSS)</u>	658,244	(277,830)
Administrative Expenses	(907,578)	(368,357)
	<hr/>	<hr/>
<u>OPERATING LOSS</u>	(249,334)	(646,187)
3. Interest Payable	(67,764)	(34,152)
4. Exceptional Items	0	130,000
	<hr/>	<hr/>
	(67,764)	(95,848)
	<hr/>	<hr/>
7. <u>(LOSS) ON ORDINARY</u> <u>ACTIVITIES BEFORE TAXATION</u>	(317,098)	(550,339)
8. Taxation on Ordinary Activities	0	0
	<hr/>	<hr/>
<u>(LOSS) FOR THE FINANCIAL YEAR/PERIOD</u>	(317,098)	(550,339)
<u>ACCUMULATED RESERVES</u> <u>BROUGHT FORWARD</u>	(896,626)	(346,287)
	<hr/>	<hr/>
<u>ACCUMULATED RESERVES</u> <u>CARRIED FORWARD</u>	£ (1,213,724)	£ (896,626)
	<hr/> <hr/>	<hr/> <hr/>

CONTINUING OPERATIONS

The Company acquired a further Mirror Business during the Year under review.

TOTAL RECOGNISED GAINS AND LOSSES

The above has no recognised Gains or Losses other than a (Loss) for the above two Financial Periods.

RICHMOND MIRRORS LIMITEDBALANCE SHEETAS AT 30TH NOVEMBER 2001

<u>NOTES</u>	<u>30th November 2001</u>	<u>30th November 2000</u>
9. <u>TANGIBLE FIXED ASSETS</u>	141,868	127,065
<u>CURRENT ASSETS</u>		
1d. Stock & Work in Progress	256,000	248,000
10. Debtors	494,097	523,951
Cash at Bank	848	467
	<u>750,945</u>	<u>772,418</u>
11. <u>CREDITORS</u> : Amounts falling due within One Year	<u>(1,567,995)</u>	<u>(1,324,590)</u>
<u>NET CURRENT LIABILITIES</u>	<u>(817,050)</u>	<u>(552,172)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>	<u>(675,182)</u>	<u>(425,107)</u>
12. <u>CREDITORS</u> : Amounts falling after more than One Year	<u>(538,442)</u>	<u>(471,419)</u>
	<u>£ (1,213,624)</u>	<u>£ (896,526)</u>
<u>CAPITAL & RESERVES</u>		
14. Called Up Share Capital	100	100
Profit and Loss Account	<u>(1,213,724)</u>	<u>(896,626)</u>
	<u>£ (1,213,624)</u>	<u>£ (896,526)</u>

The Company is claiming exemption for Small Companies on the grounds relating to Schedule 8 of the Companies Act 1985.

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] DIRECTORS
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31st December 2002

RICHMOND MIRRORS LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 30TH NOVEMBER 2001NOTES1. ACCOUNTING POLICIESa) Accounting Convention

The Accounts have been prepared under the Historical Cost Convention and in accordance with the requirements of the Companies Act 1985.

b) Cash Flow Statement

The Company falls under the category of a "Small Company" as defined by the Companies Act and in view of this classification has decided not to prepare a Cash Flow Statement in accordance with the option contained within the Financial Reporting Standard (1).

c) Depreciation

Depreciation is calculated on a reducing balance basis as follows.

Plant & Equipment	: 25% per annum
Fixtures & Fittings	: 25% per annum
Motor Vehicle	: 25% per annum
Office Equipment	: 25% per annum
Acquisition Costs	: 25% per annum

d) Stocks and Work in Progress

Stocks have been valued at the lower of cost and net realisable value after providing provision for slow moving stock.

Work in Progress has been stated at Cost plus attributable profits less any foreseeable losses.

Attributable Profit is that part of the total Profit currently estimated to arise over the duration of each contract which fairly reflects the Profit attributable to the work performance by the Balance sheet date.

RICHMOND MIRRORS LIMITED
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 30TH NOVEMBER 2001

NOTES

2. TURNOVER

Turnover represents the total amount receivable for services provided in the ordinary course of business, excluding VAT, and is derived from the following geographical markets :

		<u>Period</u> <u>1st April 2000 to</u> <u>30th November 2000</u>
	<u>30th November 2001</u>	
United Kingdom	£ 3,609,488	£ 1,364,535
	<u> </u>	<u> </u>

3. INTEREST PAYABLE

Interest Payable is in respect of
 Bank Loan and overdrafts and
 and other Loans wholly repayable
 within 5 years

£	67,764	£	34,152
	<u> </u>		<u> </u>

4. Exceptional Items

The exceptional items represent the renegotiation of rent arrears with the landlord. We have been unable to verify this matter during the course of our audit.

5. STAFF COSTS

Wages and Salaries	698,309	326,992
Social Security	73,343	27,518
Other Pension Costs	5,454	7,567
	<u> </u>	<u> </u>
	£ 777,106	£ 362,077
	<u> </u>	<u> </u>

Average number of persons employed by the Company (including Directors) during the Year was 35. (2000 : 38).

RICHMOND MIRRORS LIMITED
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 30TH NOVEMBER 2001

<u>NOTES</u>	Period	
	<u>30th November 2001</u>	<u>1st April 2000 to 30th November 2000</u>
6. <u>DIRECTORS REMUNERATION</u>		
As Executives	0	17,276
Pension Contributions	0	800
	<hr/>	<hr/>
	£ 0	£ 18,076
	<hr/>	<hr/>
The Remuneration of the highest paid Director was	£ 0	£ 17,276
	<hr/>	<hr/>
15001 - 20000	0	1

7. (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging the following :

Depreciation	69,331	40,265
Auditors Remuneration	12,337	8,225
Staff Costs	777,106	362,077
	<hr/>	<hr/>

8. TAXATION ON ORDINARY ACTIVITIES

The Directors are of the opinion that no liability exists to Corporation Tax for the Year under review.

RICHMOND MIRRORS LIMITED
NOTES TO THE ACCOUNTS (Continued)
FOR YEAR ENDED 30TH NOVEMBER 2001

NOTES

	Acquisition Costs	Plant & Equipment	Fixtures & Fittings	Motor Vehicles	Office Equipment	Total
9. <u>TANGIBLE FIXED ASSETS</u>						
<u>Cost :</u>						
At 1st December 2000	20,000	65,680	46,169	32,929	74,352	239,130
Additions	34,217	34,700	0	5,747	9,470	84,134
At 30th November 2001	£54,217	£100,380	£46,169	£38,676	£83,822	£323,264
<u>Depreciation :</u>						
At 1st December 2000	8,750	29,412	30,781	14,589	28,533	112,065
Charge for the Year	10,429	19,837	11,722	7,724	19,619	69,331
At 30th November 2001	£19,179	£49,249	£42,503	£22,313	£48,152	£181,396
<u>Net Book Value :</u>						
At 30th November 2001	£35,038	£51,131	£3,666	£16,363	£35,670	£141,868
At 30th November 2000	£11,250	£36,268	£15,388	£18,340	£45,819	£127,065

	30th November 2001	Period 1st April 2000 to 30th November 2000
10. <u>DEBTORS</u>		
Trade Debtors	451,000	489,000
Other Debtors	43,097	34,951
	£ 494,097	£ 523,951

The Directors have in their opinion made sufficient provisions within the Accounts for possible Bad Debts.

11. CREDITORS : Amounts falling due within One Year

Trade Creditors	1,004,719	575,124
Sundry Creditors & Accrued Expenses	82,784	208,601
Bank Overdraft (Secured)	435,014	511,185
PAYE	44,165	23,608
Hire Purchase Creditors	1,313	6,072
	£ 1,567,995	£ 1,324,590

RICHMOND MIRRORS LIMITEDNOTES TO THE ACCOUNTS (Continued)FOR THE YEAR ENDED 30TH NOVEMBER 2001

<u>NOTES</u>	<u>30th November 2001</u>	<u>Period 1st April 2000 to 30th November 2000</u>
12. <u>CREDITORS</u> : Amounts falling due after more than One Year		
Shareholders Funds	538,442	466,442
Hire Purchase Creditors	0	4,977
	<hr/>	<hr/>
	£ 538,442	£ 471,419
	<hr/>	<hr/>

The Shareholders have made advances to the Company, which are interest free

13. BANK BORROWING

The Company has Overdraft Facilities with its Bankers that are fully secured by way of a Debenture over the Company's fixed & Current Assets.

14. SHARE CAPITAL

Authorised : 100 Ordinary Shares of £1 each	£ 100	£ 100
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Allotted, Called Up & Fully Paid : 100 Ordinary Shares of £1 each	£ 100	£ 100
	<hr/>	<hr/>

15. RECONCILIATION OF MOVEMENTS
IN SHAREHOLDERS' FUNDS

(Loss) for the Financial Year/Period	(317,098)	(550,339)
Dividends proposed	0	0
	<hr/>	<hr/>
	(317,098)	(550,339)
Opening Shareholders' Funds	(896,526)	(346,187)
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Closing Shareholders' Funds	£ (1,213,624)	£ (896,526)
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