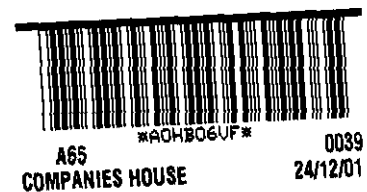


DRAGON RECLAMATION LTD
REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS FOR THE PERIOD 1 MARCH 2000 TO 31 MARCH 2001

Upstone.Blencowe
Chartered Accountants
15 High Street
Brackley
Northants
NN13 7DH



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for the period 1 March 2000 to 31 March 2001

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DRAGON RECLAMATION LTD

COMPANY INFORMATION
for the period 1 March 2000 to 31 March 2001

DIRECTOR: S E N Simkin

SECRETARY: Ms S Simkin

REGISTERED OFFICE: 15 High Street
Brackley
Northants
NN13 7DH

REGISTERED NUMBER: 3721083 (England and Wales)

ACCOUNTANTS: Upstone.Blencowe
Chartered Accountants
15 High Street
Brackley
Northants
NN13 7DH

DRAGON RECLAMATION LTD

REPORT OF THE DIRECTOR
for the period 1 March 2000 to 31 March 2001

The director presents his report with the financial statements of the company for the period 1 March 2000 to 31 March 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of recycling a range of goods both metal and non-metal and scrap.

DIRECTOR

S E N Simkin was the sole director during the period under review.

His beneficial interest in the issued share capital of the company was as follows:

	31.3.01	1.3.00
Ordinary £1 shares	2	2

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

ON BEHALF OF THE BOARD:

.....*S. Simkin*.....

Ms S Simkin - SECRETARY

Dated: 2/12/01

DRAGON RECLAMATION LTD**PROFIT AND LOSS ACCOUNT**
for the period 1 March 2000 to 31 March 2001

		Period 1.3.00 to 31.3.01	Period 25.2.99 to 29.2.00
	Notes	£	£
TURNOVER		55,017	62,690
Cost of sales		23,397	31,168
GROSS PROFIT		31,620	31,522
Administrative expenses		31,996	27,519
OPERATING (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(376)	4,003
Tax on (loss)/profit on ordinary activities	3	(71)	815
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION		(305)	3,188
Retained profit brought forward		3,188	-
RETAINED PROFIT CARRIED FORWARD		£2,883	£3,188

The notes form part of these financial statements

DRAGON RECLAMATION LTD**BALANCE SHEET**
31 March 2001

		<u>2001</u>		<u>2000</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	4		1,199		1,530
CURRENT ASSETS:					
Stocks		9,734		5,593	
Debtors	5	66		3,340	
Cash at bank and in hand		1,895		809	
		<u>11,695</u>		<u>9,742</u>	
CREDITORS: Amounts falling due within one year	6	<u>9,938</u>		<u>8,006</u>	
NET CURRENT ASSETS:			<u>1,757</u>		<u>1,736</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			2,956		3,266
PROVISIONS FOR LIABILITIES AND CHARGES:	7		<u>71</u>		<u>76</u>
			<u>£2,885</u>		<u>£3,190</u>
CAPITAL AND RESERVES:					
Called up share capital	8		2		2
Profit and loss account			<u>2,883</u>		<u>3,188</u>
SHAREHOLDERS' FUNDS:			<u>£2,885</u>		<u>£3,190</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 31 March 2001.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 March 2001 in accordance with Section 249B(2) of the Companies Act 1985.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

DRAGON RECLAMATION LTD

BALANCE SHEET

31 March 2001

These financial statements 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 Standard for Smaller Entities (effective March 2000).

ON BEHALF OF THE BOARD:



.....
S E N Simkin - DIRECTOR

Approved by the Board on 21/2/01 ..

DRAGON RECLAMATION LTD

NOTES TO THE FINANCIAL STATEMENTS **for the period 1 March 2000 to 31 March 2001**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The effects of events relating to the period ended 29th February 2000 before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 29th February 2000 and of the results for the period ended on that date.

Accounting convention

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).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on reducing balance
Office equipment	- 20% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

2. OPERATING (LOSS)/PROFIT

The operating loss (2000 - operating profit) is stated after charging:

	Period 1.3.00 to 31.3.01 £	Period 25.2.99 to 29.2.00 £
Depreciation - owned assets	331	385
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	8,835	7,232
	<u> </u>	<u> </u>

3. TAXATION

The tax (credit)/charge on the loss on ordinary activities for the period was as follows:

	Period 1.3.00 to 31.3.01 £	Period 25.2.99 to 29.2.00 £
UK corporation tax	(66)	739
Deferred taxation	(5)	76
	<u> </u>	<u> </u>
	(71)	815
	<u> </u>	<u> </u>

DRAGON RECLAMATION LTD**NOTES TO THE FINANCIAL STATEMENTS**
for the period 1 March 2000 to 31 March 2001**4. TANGIBLE FIXED ASSETS**

	Plant and machinery	Office equipment	Totals
	£	£	£
COST:			
At 1 March 2000			
and 31 March 2001	1,672	243	1,915
DEPRECIATION:			
At 1 March 2000	336	49	385
Charge for period	289	42	331
At 31 March 2001	625	91	716
NET BOOK VALUE:			
At 31 March 2001	1,047	152	1,199
At 29 February 2000	1,336	194	1,530

**5. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001 £	2000 £
Trade debtors	-	1,997
Other debtors	-	1,343
Taxation recoverable	66	-
	66	3,340

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001 £	2000 £
Trade creditors	5,254	4,825
Directors current accounts	240	239
Other creditors	224	-
Social security & other taxes	2,855	1,013
Taxation	-	739
Accrued expenses	1,365	1,190
	9,938	8,006

7. PROVISIONS FOR LIABILITIES AND CHARGES

	2001 £	2000 £
Deferred taxation	71	76

DRAGON RECLAMATION LTD**NOTES TO THE FINANCIAL STATEMENTS**
for the period 1 March 2000 to 31 March 2001**7. PROVISIONS FOR LIABILITIES AND CHARGES - continued**

	Deferred taxation £
Balance at 1 March 2000	76
Timing difference	(5)
	—
Balance at 31 March 2001	71
	==

8. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2001 £	2000 £
100	Ordinary	£1	100	100
			==	==

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2001 £	2000 £
2	Ordinary	£1	2	2
			==	==

9. RELATED PARTY DISCLOSURES

During the year ended 29th February 2000, the company traded with a partnership, Dragon Plant Services, in which Miss V Simkin was a partner. The transactions related to the purchase of initial stock and fixed assets of £6,000. There were no transactions included in income or expenses of Dragon Reclamation Limited, during the period to 31st March 2001.

The above transaction took place on a normal commercial basis.

DRAGON RECLAMATION LTD

REPORT OF THE ACCOUNTANTS TO THE DIRECTOR OF
DRAGON RECLAMATION LTD

As described on the balance sheet you are responsible for the preparation of the financial statements for the period ended 31 March 2001 set out on pages three to eight and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Upstone Blencowe

Upstone Blencowe
Chartered Accountants
15 High Street
Brackley
Northants
NN13 7DH

Dated: 22/2/01