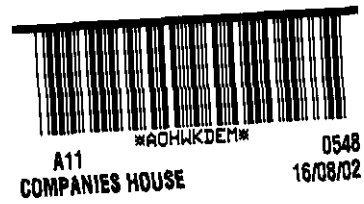


GRAND TRAVERSE LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST OCTOBER 2001**

Company No. 04092190



GRAND TRAVERSE LIMITED

COMPANY INFORMATION

Directors	Mr M R Davies	(appointed 18 October 2000)
	Mr R J Bedford	(appointed 18 October 2000)
Secretary	Mr M R Davies	
Company number	04092190	
Registered office	1 Holmesdale Road Croydon Surrey CR0 2LR	
Accountants	Miller Davies 1 Holmesdale Road Croydon Surrey CR0 2LR	

GRAND TRAVERSE LIMITED

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GRAND TRAVERSE LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31ST OCTOBER 2001

The directors present their report and the financial statements for the company for the period ended 31st October 2001.

Principal activity

The company's principal activity during the period was that of finance and management consultants.

Directors and their interests

The directors who held office during the period and their beneficial interests in the company's issued share capital are given below:

Name of director	Share type	At 31st October 2001	At 18th October 2000
Mr M R Davies	Ordinary	1	1
Mr R J Bedford	Ordinary	1	1

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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 financial statements the directors are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

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 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.

GRAND TRAVERSE LIMITED

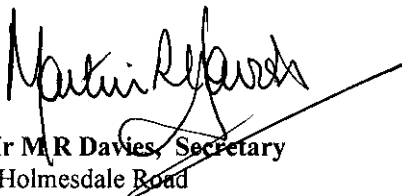
DIRECTORS' REPORT

FOR THE PERIOD ENDED 31ST OCTOBER 2001

Small company exemptions

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

By order of the Board



Mr M R Davies, Secretary
1 Holmesdale Road
Croydon
Surrey
CR0 2LR
15th August 2002

ACCOUNTANTS' REPORT TO THE DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
GRAND TRAVERSE LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the period ended 31st October 2001, set out on pages 4 to 6, and you consider that the company is exempt from an audit and a report under Section 249A(1) of the Companies Act 1985. 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.



Miller Davies
Chartered Accountants
1 Holmesdale Road
Croydon
Surrey
CR0 2LR
Date: 15th August 2002

GRAND TRAVERSE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD 18TH OCTOBER 2000 TO 31ST OCTOBER 2001

	Notes	2001 £
Turnover	2	5,439
Administrative expenses		(1,120)
		<u>4,319</u>
Other operating income		1
Operating profit		<u>4,320</u>
Interest receivable		338
		<u>4,658</u>
Profit on ordinary activities before taxation		4,658
Tax on profit on ordinary activities	3	(466)
Profit for the financial period		<u><u>4,192</u></u>

GRAND TRAVERSE LIMITED

BALANCE SHEET

AS AT 31ST OCTOBER 2001

	Notes	2001 £
Current assets		
Cash at bank and in hand		10,977
Creditors: Amounts falling due within one year	4	(6,783)
Total assets less current liabilities		<u>4,194</u>
Capital and reserves		
Share capital	5	2
Profit and loss account		<u>4,192</u>
Shareholders' funds		<u>4,194</u>

For the financial period ended 31st October 2001, the company was entitled to exemption from audit under Section 249A(1) Companies Act 1985.

No notice has been deposited under Section 249B(2) Companies Act 1985.

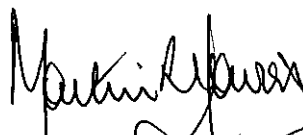
The directors acknowledge their responsibilities for:

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 the affairs of the company as at the end of the financial period and of its results for the financial period in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective March 2000)

These financial statements were approved by the board on 15th August 2002 and signed on its behalf by:


Mr M R Davies
Director

GRAND TRAVERSE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31ST OCTOBER 2001

1 Accounting policies

Basis of accounting

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).

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Taxation

	2001 £
Based on the profit for the period:	
UK corporation tax at 10 per cent	466

4 Creditors: amounts falling due within one year

	2001 £
Other creditors	6,783

'Other creditors' include £466 in respect of taxation and social security.

5 Share capital

	2001 £
Authorised	
1,000 Ordinary shares of £1.00 each	1,000
Allotted	
2 Allotted, called up and fully paid ordinary shares of £1.00 each	2

2 ordinary shares of £1 each were issued on the incorporation of the company at par value.

GRAND TRAVERSE LIMITED

MANAGEMENT PROFIT AND LOSS ACCOUNT

FOR THE PERIOD 18TH OCTOBER 2000 TO 31ST OCTOBER 2001

		2001
	£	£
Turnover		5,439
Other operating income		
Miscellaneous other income	1	
		1
Interest receivable		
Bank deposit interest	338	
		338
		5,778
Rent and rates	520	
Accountancy	600	
		1,120
Net profit for the period		4,658