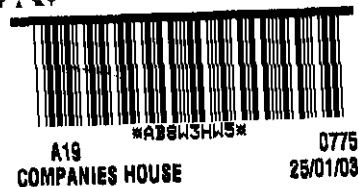


PROJECTS 2000 LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2001

Company Registration Number 2686362

HEATHCOTE AND COMPANY

Chartered Accountants
Heathcote House
136 Hagley Road
Edgbaston
Birmingham
B16 9PN



PROJECTS 2000 LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

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PROJECTS 2000 LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2001

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2001.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of project management and design consultants.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

| | Ordinary Shares of £1 each | |
|------------------|----------------------------|----------------------|
| | At 31 December 2001 | At 1 January 2001 |
| Mr M J Harris | 52 | 52 |
| Mr R M Harris | — | — |
| Mrs P C R Harris | — | — |
| | <hr/> | <hr/> |

SMALL COMPANY PROVISIONS

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

Registered office:
10 Bennets Hill
Birmingham
B2 5RS

Signed on behalf of the directors



Mr M J Harris
Director

Approved by the directors on 23 January 2003



PROJECTS 2000 LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2001

| | Note | 2001 £ | 2000 £ |
|---|------|-----------|-----------|
| TURNOVER | | 26,572 | 268,743 |
| Cost of sales | | 27,602 | 178,490 |
| GROSS (LOSS)/PROFIT | | 1,030 | 90,253 |
| Administrative expenses | | 89,963 | 61,564 |
| Other operating income | | 3,576 | 3,678 |
| OPERATING (LOSS)/PROFIT | 2 | 87,417 | 32,367 |
| Interest receivable | | 298 | 23 |
| Interest payable and similar charges | | 1,563 | — |
| (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 88,682 | 32,390 |
| Tax on (loss)/profit on ordinary activities | 3 | 2,281 | 10,701 |
| (LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR | | 86,401 | 21,689 |
| Balance brought forward | | 11,968 | 9,721 |
| Balance carried forward | | 74,433 | 11,968 |

The notes on pages 4 to 6 form part of these financial statements.

PROJECTS 2000 LIMITED

BALANCE SHEET

31 DECEMBER 2001

| | Note | 2001 £ | £ | 2000 £ | £ |
|---|------|----------------|-----------------|----------------|---------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 4 | | 7,382 | | 5,970 |
| CURRENT ASSETS | | | | | |
| Stocks | | 37,464 | | 4,100 | |
| Debtors | 5 | 30,245 | | 41,317 | |
| Cash at bank | | 2,616 | | 77,965 | |
| | | <u>70,325</u> | | <u>123,382</u> | |
| CREDITORS: Amounts falling due within one year | 6 | <u>152,062</u> | | <u>117,306</u> | |
| NET CURRENT (LIABILITIES)/ASSETS | | | (81,737) | | 6,076 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>(74,355)</u> | | <u>12,046</u> |
| CAPITAL AND RESERVES | | | | | |
| Called-up equity share capital | 8 | | 78 | | 78 |
| Profit and Loss Account | | | <u>(74,433)</u> | | <u>11,968</u> |
| (DEFICIENCY)/SHAREHOLDERS' FUNDS | | | <u>(74,355)</u> | | <u>12,046</u> |

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

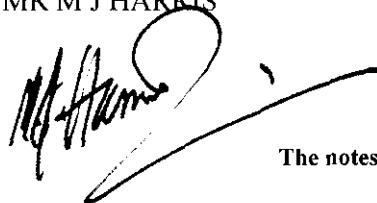
The directors acknowledge their responsibilities for:

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

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 23 January 2003 and are signed on their behalf by:

MR M J HARRIS



The notes on pages 4 to 6 form part of these financial statements.

PROJECTS 2000 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 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 June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 10% Reducing balance

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

2. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

| | 2001 | 2000 |
|-----------------------|------------|------------|
| | £ | £ |
| Directors' emoluments | 36,527 | 15,710 |
| Depreciation | <u>590</u> | <u>663</u> |

3. TAX ON LOSS OR PROFIT ON ORDINARY ACTIVITIES

Taxation

| | 2001 | 2000 |
|--|----------------|---------------|
| | £ | £ |
| Current tax: | | |
| UK Corporation tax based on the results for the year at -% (2000 - 17.50%) | - | 10,701 |
| Over/under provision in prior year | <u>(2,281)</u> | <u>-</u> |
| Total current tax | <u>(2,281)</u> | <u>10,701</u> |

PROJECTS 2000 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

4. TANGIBLE FIXED ASSETS

| | Equipment £ |
|----------------------------|----------------|
| COST | |
| At 1 January 2001 | 8,317 |
| Additions | 2,002 |
| At 31 December 2001 | <u>10,319</u> |
| DEPRECIATION | |
| At 1 January 2001 | 2,347 |
| Charge for the year | 590 |
| At 31 December 2001 | <u>2,937</u> |
| NET BOOK VALUE | |
| At 31 December 2001 | <u>7,382</u> |
| At 31 December 2000 | <u>5,970</u> |

5. DEBTORS

| | 2001 £ | 2000 £ |
|---|---------------|---------------|
| Other debtors | 24,450 | 27,583 |
| Directors current accounts | — | 663 |
| ACT recoverable against future taxation | — | 6,417 |
| Prepayments and accrued income | 5,795 | 6,654 |
| | <u>30,245</u> | <u>41,317</u> |

Debtors include overdrawn loan accounts in respect of M J Harris and R M Harris. The amount outstanding at 31 December 2001 was £ NIL (2000 - £663). The maximum amount outstanding during the year was £663 (2000 - £663).

The loans are non interest bearing and repayable at the directors discretion.

6. CREDITORS: Amounts falling due within one year

| | 2001 £ | 2000 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 61,739 | 45,926 |
| Corporation tax | 3,740 | 6,680 |
| Other taxation and social security | 5,851 | 24,335 |
| Other creditors | 80,732 | 40,365 |
| | <u>152,062</u> | <u>117,306</u> |

PROJECTS 2000 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

7. RELATED PARTY TRANSACTIONS

The company was under the control of Mr M J Harris throughout the current and previous year. Mr M J Harris is the managing director and majority shareholder.

Mr M J Harris is the sole proprietor of M J Harris Associates, and during the year fees totalling £5,400 we paid to him.

8. SHARE CAPITAL

Authorised share capital:

| | 2001 | 2000 |
|--------------------------------|------|------|
| | £ | £ |
| 100 Ordinary shares of £1 each | 100 | 100 |

Allotted, called up and fully paid:

| | 2001 | 2000 |
|------------------------|------|------|
| | £ | £ |
| Ordinary share capital | 78 | 78 |