

LATTY INTERNATIONAL LIMITED

Company Number 2574066 England and Wales

Financial Statements for the year ended

31 December 2001



AUDITORS' REPORT TO LATTY INTERNATIONAL LIMITED PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 1 to 4 together with the financial statements of LATTY INTERNATIONAL LIMITED prepared under section 226 of the Companies Act 1985 for the year ended 31 December 2001.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and the abbreviated accounts have been properly prepared from those statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with the special provisions of Part VII of that Act in respect of the year ended 31 December 2001 and the abbreviated accounts on pages 1 to 4 have been properly prepared in accordance with those provisions.

Thomas Warren & Co
Chartered Certified Accountants and Registered Auditors
33/35 Thorne Road
Doncaster
South Yorkshire DN1 2HD

Thomas Warren *6*
22/2/02 ✓

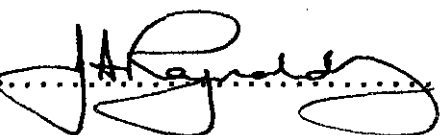
LATTY INTERNATIONAL LIMITED

Balance Sheet 31 December 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Tangible Assets	2	31,176	57,344
CURRENT ASSETS			
Stocks		153,401	163,259
Debtors		211,954	276,305
Cash at bank and in hand		68,517	3,521
		<u>433,872</u>	<u>443,085</u>
CREDITORS: amounts falling due within one year		400,364	403,228
		<u> </u>	<u> </u>
NET CURRENT ASSETS(LIABILITIES)		33,508	39,857
		<u> </u>	<u> </u>
TOTAL ASSETS LESS CURRENT LIABILITIES		64,684	97,201
		<u> </u>	<u> </u>
CREDITORS: amounts falling due after one year		8,500	14,500
		<u> </u>	<u> </u>
TOTAL ASSETS LESS LIABILITIES		56,184	82,701
		<u> </u>	<u> </u>
Financed by:			
CAPITAL AND RESERVES			
Called up Share Capital	3	100,000	100,000
Profit and Loss Account		(43,816)	(17,299)
		<u> </u>	<u> </u>
Shareholders' Funds		56,184	82,701
		<u> </u>	<u> </u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and were approved by the Board on 21 February 2002 and signed on its behalf.

J A Reynolds.....



LATTY INTERNATIONAL LIMITED

Notes to the Accounts for the year ended 31 December 2001

1. ACCOUNTING POLICIES

(i) Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

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

(ii) Depreciation

Depreciation is provided on the following tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value, of the asset over its expected useful life as follows:

Computer Equipments	33% p.a. on a straight line basis
Plant & Equipment	25% p.a. on a reducing balance basis
Motor Vehicles	25% p.a. on a reducing balance basis
Alterations to Leasehold Property	Over the life of the lease

(iii) Stocks

Stocks are stated in accordance with Statement of Standard Accounting Practice No. 9 at the lower of cost and net realisable value, after making due allowances for slow moving stock.

(iv) Turnover

Turnover represents the value of goods sold during the year exclusive of value added tax.

(v) Deferred Tax

Provision for deferred tax has been made in full in these accounts.

(vi) Foreign Currencies

All transactions denominated in foreign currencies are converted into sterling at the rates of exchange ruling at the date of the transaction. Any exchange differences are taken to the profit and loss account when they arise.

(vii) Pension Scheme

The scheme operated by the company is a defined contribution scheme and payments are charged to the profit and loss account when paid.

LATTY INTERNATIONAL LIMITED

Notes to the Accounts for the year ended 31 December 2001

2 TANGIBLE FIXED ASSETS

	TOTAL
	<hr/>
	£
COST	
At Start	207,243
Additions	8,173
Sales	(61,942)
	<hr/>
	153,474
	<hr/>
DEPRECIATION	
At Start	149,899
Charge for year	13,728
Sales	(41,329)
	<hr/>
	122,298
	<hr/>
NET BOOK VALUE	
At Start	57,344
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At End	31,176
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LATTY INTERNATIONAL LIMITED

Notes to the Accounts for the year ended 31 December 2001

	2001 £	2000 £
3 SHARE CAPITAL		
Authorised		
Ordinary Shares of £1 each	250,000	250,000
	<hr/>	<hr/>
Issued, allotted and fully paid		
Ordinary Shares of £1 each	100,000	100,000
	<hr/>	<hr/>

4 BANK SECURITY

The bank holds a fixed and floating charge over the assets of the company.

5 HOLDING COMPANY

The company is a wholly owned subsidiary of Latty International SA, a company registered in France.

6 RELATED PARTY TRANSACTIONS

a) Amounts due to/from other group companies included in these accounts at the year end are as follows:-

	2001	2000
Trade Debtors	£318	£4072
Trade Creditors	£208136	£222806

The loan from the Holding Company is disclosed separately in the accounts.

b) A rent of £14000 (2000:£14000) has been paid to C X Latty who is a director of this company and the Holding Company. The rent is paid for the business premises at Retford.

7 SECURED CREDITORS

	2001	2000
The aggregate amount of secured liabilities at the year end was:	£3350	£24584