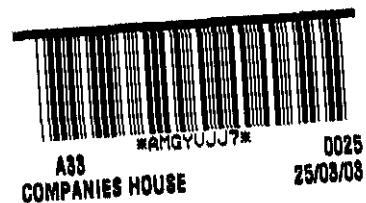


**HARLEY DESIGN INTERNATIONAL LTD**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED**  
**31ST MAY 2002**



**EDMUND CARR**  
Chartered Accountants  
146 New London Road,  
Chelmsford,  
Essex.  
CM2 0AW

**HARLEY DESIGN INTERNATIONAL LTD**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MAY 2002**

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# HARLEY DESIGN INTERNATIONAL LTD

## ABBREVIATED BALANCE SHEET

31ST MAY 2002

|  | Note     | 2002<br>£            | 2001<br>£            |
|--|----------|----------------------|----------------------|
| <b>FIXED ASSETS</b>  | <b>2</b> |                      |                      |
| Tangible assets  |          | 16,067               | 1,911                |
| <b>CURRENT ASSETS</b>  |          |                      |                      |
| Stocks   |          | 3,000                | 1,500                |
| Debtors  |          | 65,241               | 37,955               |
| Cash at bank and in hand                                       |          | 2,184                | 4,300                |
|  |          | <u>70,425</u>        | <u>43,755</u>        |
| <b>CREDITORS: Amounts falling due within one year</b>          |          | <u>(53,362)</u>      | <u>(11,527)</u>      |
| <b>NET CURRENT ASSETS</b>                                      |          | <b>17,063</b>        | <b>32,228</b>        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |          | <b>33,130</b>        | <b>34,139</b>        |
| <b>CREDITORS: Amounts falling due after more than one year</b> |          | <b>(2,500)</b>       | <b>-</b>             |
|  |          | <u><b>30,630</b></u> | <u><b>34,139</b></u> |

The balance sheet continues on the following page.

The notes on pages 3 to 5 form part of these financial statements.

# HARLEY DESIGN INTERNATIONAL LTD

## ABBREVIATED BALANCE SHEET *(continued)*

31ST MAY 2002

|                                | Note | 2002<br>£     | 2001<br>£     |
|--------------------------------|------|---------------|---------------|
| <b>CAPITAL AND RESERVES</b>    |      |               |               |
| Called-up equity share capital | 3    | 1,000         | 1,000         |
| Profit and Loss Account        |      | 29,630        | 33,139        |
| <b>SHAREHOLDERS' FUNDS</b>     |      | <u>30,630</u> | <u>34,139</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:

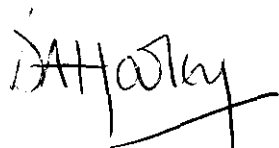
- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance 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 accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 21st March 2003 and are signed on their behalf by:

D.A. HARLEY

L. J. CAMPBELL



The notes on pages 3 to 5 form part of these financial statements.

# **HARLEY DESIGN INTERNATIONAL LTD**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

**YEAR ENDED 31ST MAY 2002**

### **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.

#### **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:

|                       |     |               |
|-----------------------|-----|---------------|
| Computer Equipment    | 20% | straight line |
| Furniture & Equipment | 20% | straight line |
| Motor Vehicles        | 25% | straight line |

#### **Stocks**

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

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

# HARLEY DESIGN INTERNATIONAL LTD

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST MAY 2002

### 1. ACCOUNTING POLICIES *(continued)*

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- \* provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

- \* provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

- \* deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a discounted/an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

# HARLEY DESIGN INTERNATIONAL LTD

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST MAY 2002

### 2. FIXED ASSETS

|                         | Tangible<br>Assets<br>£ |
|-------------------------|-------------------------|
| <b>COST</b>             |                         |
| At 1st June 2001        | 52,033                  |
| Additions               | 19,544                  |
| Disposals               | <u>(27,229)</u>         |
| <b>At 31st May 2002</b> | <u><b>44,348</b></u>    |
| <b>DEPRECIATION</b>     |                         |
| At 1st June 2001        | 50,122                  |
| Charge for year         | 5,388                   |
| On disposals            | <u>(27,229)</u>         |
| <b>At 31st May 2002</b> | <u><b>28,281</b></u>    |
| <b>NET BOOK VALUE</b>   |                         |
| <b>At 31st May 2002</b> | <u><b>16,067</b></u>    |
| At 31st May 2001        | <u>1,911</u>            |

### 3. SHARE CAPITAL

#### Authorised share capital:

|                                  | 2002<br>£    | 2001<br>£    |
|----------------------------------|--------------|--------------|
| 1,000 Ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> |

#### Allotted, called up and fully paid:

|                        | 2002<br>£    | 2001<br>£    |
|------------------------|--------------|--------------|
| Ordinary share capital | <u>1,000</u> | <u>1,000</u> |