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**JACK ARMSTRONG & CO LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED**  
**31 JANUARY 2003**



**LEVICKS**

**Chartered Accountants and Business Advisers**



**JACK ARMSTRONG & CO LTD**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 JANUARY 2003**

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**JACK ARMSTRONG & CO LTD****THE DIRECTOR'S REPORT****YEAR ENDED 31 JANUARY 2003**

The director presents her report and the unaudited financial statements of the company for the year ended 31 January 2003.

**PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was the distribution of Ecoflow and Bioflow products.

**THE DIRECTOR AND HER INTERESTS IN SHARES OF THE COMPANY**

The director who served the company during the year together with her beneficial interests in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At 31 January 2003	At 1 February 2002
S Armstrong	<u>5,000</u>	<u>5,000</u>

**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:  
Levicks  
West Hill  
61 London Road  
Maidstone  
Kent  
ME16 8TX

Signed by order of the director



D STONES  
Company Secretary

Approved by the director on 10.11.03..

**JACK ARMSTRONG & CO LTD****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 JANUARY 2003**

	Note	2003 £	2002 £
<b>TURNOVER</b>		<b>19,256</b>	<b>24,160</b>
Cost of sales		<u>12,756</u>	<u>17,494</u>
<b>GROSS PROFIT</b>		<b>6,500</b>	<b>6,666</b>
Distribution costs		300	230
Administrative expenses		9,895	10,199
Other operating income		(10,298)	(13,917)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>6,603</u>	<u>10,154</u>
Tax on profit on ordinary activities		—	—
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		<u>6,603</u>	<u>10,154</u>
Balance brought forward		(38,674)	(48,828)
Balance carried forward		<u>(32,071)</u>	<u>(38,674)</u>

**JACK ARMSTRONG & CO LTD****BALANCE SHEET****31 JANUARY 2003**

	Note	2003 £	£	2002 £	£
<b>FIXED ASSETS</b>					
Tangible assets	3		1,775		1,008
<b>CURRENT ASSETS</b>					
Stocks		750		813	
Debtors	4	142		37	
Cash at bank and in hand		901		2,444	
		<u>1,793</u>		<u>3,294</u>	
<b>CREDITORS: Amounts falling due within one year</b>	5	<u>30,639</u>		<u>37,976</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(28,846)</u>		<u>(34,682)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(27,071)</u>		<u>(33,674)</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	7		5,000		5,000
Profit and loss account			<u>(32,071)</u>		<u>(38,674)</u>
<b>DEFICIENCY</b>			<u>(27,071)</u>		<u>(33,674)</u>

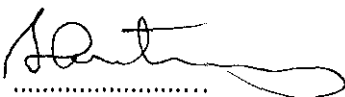
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of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

The director acknowledges her responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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 and signed by the director on .....10/11/03.

  
.....  
S ARMSTRONG

**JACK ARMSTRONG & CO LTD****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 JANUARY 2003****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.

**Fixed assets**

All fixed assets are initially recorded at cost.

**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	15% reducing balance
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**Stocks**

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

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Deferred taxation**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

There has been no effect on the profits on ordinary activities after tax as a consequence of this change in accounting policy.

**2. OPERATING PROFIT**

Operating profit is stated after charging:

	2003	2002
	£	£
Director's emoluments	—	—
Depreciation of owned fixed assets	<u>313</u>	<u>179</u>

**JACK ARMSTRONG & CO LTD****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 JANUARY 2003****3. TANGIBLE FIXED ASSETS**

	Equipment £
<b>COST</b>	
At 1 February 2002	2,491
Additions	<u>1,080</u>
<b>At 31 January 2003</b>	<u><b>3,571</b></u>
<b>DEPRECIATION</b>	
At 1 February 2002	1,483
Charge for the year	<u>313</u>
<b>At 31 January 2003</b>	<u><b>1,796</b></u>
<b>NET BOOK VALUE</b>	
<b>At 31 January 2003</b>	<u><b>1,775</b></u>
At 31 January 2002	<u>1,008</u>

**4. DEBTORS**

	2003 £	2002 £
Prepayments and accrued income	<u>142</u>	<u>37</u>

**5. CREDITORS: Amounts falling due within one year**

	2003 £	2002 £
Other creditors including taxation:		
VAT	412	588
Directors current accounts	29,547	36,738
Other creditors	<u>680</u>	<u>650</u>
	<u><b>30,639</b></u>	<u><b>37,976</b></u>

**6. RELATED PARTY TRANSACTIONS**

The company was under the control of S Armstrong throughout the current and previous year as the managing director and majority shareholder.

During the year to 31 January 2003 the director withdrew £8,000 (2002 - £10,300), paid £1,680 (2002 - £1,680) into the company, and had expenses paid by the company totalling £871 (2002 - £12). As at 31 January 2003 the company owed the director £29,547 (2002 - £36,738).

**JACK ARMSTRONG & CO LTD****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 JANUARY 2003****7. SHARE CAPITAL****Authorised share capital:**

	2003 £	2002 £
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

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

	2003 No	£	2002 No	£
Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

**8. GOING CONCERN**

As at 31 January 2003 the company had net current liabilities of £28,846 and is therefore dependent on the continued support of its director. The company trades profitably on a current basis and continues to pay its bills as they fall due. The director anticipates that this will continue and therefore considers the company to be a going concern.