

GLOBAL INTERNATIONAL TRADING LIMITED

COMPANY NO. 3014472

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER 2002



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GLOBAL INTERNATIONAL TRADING LIMITED

REPORT OF THE DIRECTORS'

The Directors have pleasure in presenting their report and financial statements for the year ended 31st December 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company throughout the year were those of the distribution of window blinds, window blind components and supply of writing implements. The results for the year and the financial position at the year end were considered good by the directors who expect similar results for the foreseeable future.

RESULTS AND DIVIDEND

The results of the company for the year are set out on page 4. The directors do not recommend the payment of a dividend as the funds of the company are fully employed.

FIXED ASSETS

The movements in fixed assets are shown in the notes to the financial statements. In the opinion of the directors the market value of the freehold premises at the year end date is not less than the written down value at the balance sheet date.

DIRECTORS AND THEIR INTERESTS

The directors who served the company throughout the year together with their interest (including family interest) in the shares of the company, at the beginning and end of the year, were as follows:

Ordinary Shares of £1 each

	<u>2002</u>	<u>2001</u>
P Kentor	-	-
A Rechtman	-	-

AUDITOR

A F Storer has indicated his willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that he be re-appointed auditor to the company for the ensuing year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company 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; and prepare the financial statements on a going concern basis unless it is inappropriate to assume 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.

Maitland Road
Lion Barn Industrial Estate
Needham Market
Ipswich, Suffolk, IP6 8NZ

BY ORDER OF THE BOARD

.....
S Fitch, Company Secretary

15th April 2003

GLOBAL INTERNATIONAL TRADING LIMITED

REPORT OF THE AUDITOR

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GLOBAL INTERNATIONAL TRADING LIMITED

I have audited the financial statements of Global International Trading Limited for the year ended 31st December 2002 which comprise the Profit and Loss Account, the Balance Sheet, the cash flow statement and related notes. These financial statements have been prepared in accordance with the historical cost convention and the accounting policies set out on therein.

This report is made solely to the company's members as a body in accordance with section 235 of the Companies Act 1985. My audit work has been undertaken so that I might state to the company's members those matters I am required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's members as a body for my audit work, for this report or for the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As described in the statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I also report to if, in my opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

I read the Directors' Report and consider the implications for my report if I become aware of any apparent misstatements within it.

GLOBAL INTERNATIONAL TRADING LIMITED

REPORT OF THE AUDITOR Cont..

BASIS OF AUDIT OPINION

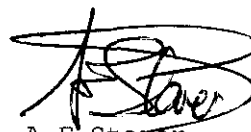
I conducted my audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In my opinion the financial statements give a true and fair view of the company's affairs as at 31st December 2002 and of its profit for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Bank House
129 High Street
Needham Market
Suffolk IP6 8DH



A F Storer
Chartered Accountant and
Registered Auditor

14 July 2003

GLOBAL INTERNATIONAL TRADING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2002

	<u>Note</u>	Continuing Operations <u>2002</u>	Acquisitions <u>2002</u>	Discontinued Operations <u>2002</u>	Total <u>2002</u>	Total <u>2001</u>
TURNOVER	2	2973724	-	-	2973724	1943977
Cost of sales	3	2284674	-	-	2284674	1479218
		-----	----	----	-----	-----
GROSS PROFIT		689050	-	-	689050	464759
Net operating expenses	3	529549	-	-	529549	340159
		-----	----	----	-----	-----
OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST	3	159501	-	-	159501	124600
		=====	=====	=====		
Interest receivable similar income					445	571
Interest payable & similar charges	6				9622	12215
					-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION					150324	112956
Taxation	7				28741	23917
					-----	-----
RETAINED PROFIT FOR THE FINANCIAL YEAR	16				121583	89039
					=====	=====

The only recognised gain for the year is the profit for the year of £121583(2001:£89039)

There were no acquisitions and no discontinued operations in the year.

The annexed notes form part of these financial statements.

GLOBAL INTERNATIONAL TRADING LIMITED

BALANCE SHEET AT 31ST DECEMBER 2002

	<u>Note</u>	<u>2002</u>	<u>2001</u>
		£	£
FIXED ASSETS			
Tangible assets	8	259732	231106
CURRENT ASSETS			
Stocks	9	681436	462460
Debtors	10	667627	501760
Cash at bank and in hand		83481	62990
		-----	-----
		1432544	1027210
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	1046024	719615
		-----	-----
NET CURRENT ASSETS		386520	307595
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		646252	538701
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	12	336612	350988
PROVISIONS FOR LIABILITIES AND CHARGES	14	1138	794
		-----	-----
NET ASSETS		308502	186919
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	15	5000	5000
Profit and loss account	16	303502	181919
		-----	-----
SHAREHOLDERS FUNDS		308502	186919
		=====	=====

Approved by the Board on15/4/..... 2003

.....
P Kentor Director

GLOBAL INTERNATIONAL TRADING LIMITED

CASH FLOW STATEMENT FOR THE YEAR

FOR THE YEAR ENDED 31ST DECEMBER 2002

	£	<u>2002</u>	£	£	<u>2001</u>	£
NET CASH INFLOW FROM OPERATING ACTIVITIES (Note 1)			92884			52449
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE						
Interest received		445			571	
Interest paid		9622			12215	
		-----			-----	
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			(9177)			(11644)
TAXATION						
Corporation tax paid			(23123)			(27250)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT						
Payments to acquire tangible fixed assets		40093			3904	
Receipts from sales of Tangible fixed assets		-			-	
		-----			-----	
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			(40093)			(3904)
EQUITY DIVIDENDS PAID			-			-
			-----			-----
INCREASE IN CASH (Note 2)			20491			9651
			=====			=====

GLOBAL INTERNATIONAL TRADING LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2002

	<u>2002</u> £	<u>2001</u> £
1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES		
Operating profit	159501	124600
Depreciation	11467	5731
Loss on sale of tangible Fixed assets	-	-
Increase in stock	(218976)	(175194)
Increase in debtors	(165867)	(155449)
Increase in creditors	306759	252761
	-----	-----
NET CASH INFLOW FROM OPERATING ACTIVITIES	92884 =====	52449 =====
2. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (Note 3)		
Increase in cash in the year	20491	9651
Cash repurchase of debenture	-	-
Cash used to increase liquid resources	-	-
	-----	-----
	20491 =====	9651 =====

3. ANALYSIS OF CHANGES IN NET DEBT

	<u>At 1st</u> <u>January 2001</u>	<u>Cash</u> <u>flows</u>	<u>At 31st</u> <u>December 2002</u>
Cash in hand and at bank	62990	20491	83481
Debt due within one year	-	-	-
Debt due after one year	-	-	-
Current asset investments	-	-	-
	-----	-----	-----
Total	62290 =====	20491 =====	83481 =====

GLOBAL INTERNATIONAL TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and have also been consistently applied within the same accounts.

(a) Basis of financial statements

The financial statements have been prepared under the historical cost convention.

(b) Depreciation

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

Freehold land	- NIL
Freehold building	- 2% straight line
Office equipment & fittings	- 25% reducing balance
Plant and equipment	- 25% reducing balance
Motor vehicle	- 25% reducing balance

(c) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition, including where appropriate, a proportion of manufacturing overheads.

(d) Turnover

Turnover represents the invoiced value of goods and services provided net of value added tax.

(e) Deferred taxation

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. The company has not adopted a policy of discounting deferred tax assets and liabilities.

(f) Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their lives. The interest is charged to profit and loss account over the period of the contract on a straight line basis.

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

(g) Foreign currencies

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into Sterling at rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the profit and loss account.

(h) Pension Scheme Arrangements

The company makes contributions to a stakeholder pension plan, the assets of the scheme being held separately from the assets of the company. The contributions made by the company are charged against profits on a payment basis.

GLOBAL INTERNATIONAL TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002 (Continued)

	<u>2002</u> £	<u>2001</u> £
2. TURNOVER		
Principal activities	2973724 =====	1943977 =====
Geographical analysis:		
United Kingdom	2451761	1360784
Rest of Europe	521963 -----	583193 -----
	2973724 =====	1943977 =====

3. OPERATING PROFIT

The operating results are analysed as follows:

	<u>2002</u>			<u>2001</u>		
	<u>Continuing</u> £	<u>Dis- continued</u> £	<u>Total</u> £	<u>Continuing</u> £	<u>Dis- continued</u> £	<u>Total</u> £
Turnover	2973724 =====	- =====	2973724 =====	1943977 =====	- =====	1943977 =====
Cost of sales	2284674 =====	- =====	2284674 =====	1479218 =====	- =====	1479218 =====
Net operating expenses						
Distributions costs	173637	-	173637	130516	-	130516
Administrative expenses	355912	-	355912	209643	-	209643
Other operating income	- -----	- -----	- -----	- -----	- -----	- -----
Operating profit	159501 =====	- =====	159501 =====	124600 =====	- =====	124600 =====

Operating profit is stated after charging:

	<u>2002</u> £	<u>2001</u> £
Directors emoluments	60832	53530
Pensions of directors and past directors	600	-
Auditors' remuneration and expenses	2650	2500
Depreciation and amortisation of owned assets	9425	5731
Depreciation of assets held under finance leases and hire purchase contracts	2042	-
Operating leases - plant and machinery	3900 =====	- =====

GLOBAL INTERNATIONAL TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002 (Continued)

	<u>2002</u>	<u>2001</u>
	£	£
4. DIRECTORS' EMOLUMENTS		
Emoluments	60832	53530
Company contributions to pension schemes	600	-
	-----	-----
	61432	53530
	=====	=====
The remuneration of the highest paid Director included above was:	60832	53530
Emoluments and amounts receivable under long term incentive schemes	-	-
Company contributions to pension schemes	600	-
	-----	-----
	61432	53530
	=====	=====
5. STAFF COSTS		
	<u>number</u>	<u>number</u>
The average number of persons employed by the company, including directors during the year was as follows:		
Management and administration	4	3
Sales	5	4
	---	---
	9	7
	===	===
The aggregate payroll costs of these persons were as follows:		
Wages & salaries	141392	66646
Other pension costs	1285	610
	-----	-----
	142677	67256
	=====	=====
6. INTEREST PAYABLE AND SIMILAR CHARGES		
Interest payable - bank loans and overdrafts	9373	11866
- other interest	-	349
Finance charges payable - finance leases and hire purchase contracts	249	-
	-----	-----
	9622	12215
	=====	=====

GLOBAL INTERNATIONAL TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002 (Continued)

	<u>2002</u> £	<u>2001</u> £
7. TAX ON PROFIT ON ORDINARY ACTIVITIES		
(a) Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	28398	23123
Adjustments in respect of previous periods	-----	-----
Total current tax (note 7a)	28398 =====	23123 =====
Deferred tax:		
Origination and reversal of timing differences	343	794
Total deferred tax	--- 343 ===	--- 794 ===
Tax on profit on ordinary activities	28741 =====	23917 =====
(b) Factors affecting tax charge for the period		
The tax assessed for the period is lower than the standard rate of corporation tax in the UK (19%).		
The differences are explained below:		
Profit on ordinary activities	150324	112956
	=====	=====
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19/20% (2001:20%)	28925	22591
Expenses not deductible for tax purposes	118	94
Capital allowances for period in excess of depreciation	(302)	1232
	-----	-----
Current tax charge for period (note 7a)	28741 =====	23917 =====

GLOBAL INTERNATIONAL TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002 (Continued)

8. TANGIBLE ASSETS

	<u>Freehold Land and Buildings</u> £	<u>Plant and machinery</u> £	<u>Office equipment & fittings</u> £	<u>Motor vehicles</u> £	<u>Total</u> £
Cost					
At 1 st January 2002	226465	7332	16281	-	250078
Additions	6067	5512	10414	18100	40093
	-----	-----	-----	-----	-----
At 31 st December 2002	232532	12844	26695	18100	290171
	=====	=====	=====	=====	=====
Depreciation:					
Charge for the year	5146	4941	8885	-	18972
Additions	2591	1976	4453	2447	11467
	-----	-----	-----	-----	-----
At 31 st December 2002	7737	6917	13338	2447	30439
	=====	=====	=====	=====	=====
Net Book Value:					
At 31 st December 2002	224795	5927	13357	15653	259732
	=====	=====	=====	=====	=====
At 31 st December 2001	221319	2391	7396	-	231106
	=====	=====	=====	=====	=====

The net book value of land and buildings at 31st December 2002 comprised:

	£
Freehold	224795
Long leasehold	-
Short leasehold	-

	224795
	=====

The cost of depreciable assets included in land and buildings 31st December 2002 was £129567.

Included in the total net book value of tangible fixed assets held 31st December 2002 was £11958 in respect of assets held under finance lease and hire purchase contracts.

	<u>2002</u> £	<u>2001</u> £
9. STOCKS (AND WORK IN PROGRESS)		
Goods for resale	681436	462460
	=====	=====

GLOBAL INTERNATIONAL TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002 (Continued)

	<u>2002</u> £	<u>2001</u> £
10. DEBTORS - ALL RECEIVABLE WITHIN ONE YEAR		
Trade debtors	660824	474857
Other debtors	6803	26903
	-----	-----
	667627	501760
	=====	=====
11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loan	20570	12370
Trade creditors	911136	649700
Corporation tax	28398	23123
Other taxes and social security	14986	9375
Obligations under finance leases and hire purchase contracts	2387	-
Accruals and deferred income	68547	25047
	-----	-----
	1046024	719615
	=====	=====

The bank loan is secured by a fixed charge over the freehold property owned by the company, by a charge over a policy effective on the life of a director and by a floating charge over the assets of the company.

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Bank loan	92581	118435
Other loans	240053	232553
Obligations under finance leases and hire purchases contracts	3978	-
	-----	-----
	336612	350988
	=====	=====

GLOBAL INTERNATIONAL TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002 (Continued)

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
13. BORROWINGS		
Analysis of maturity debt:		
Bank loans		
Within one year or on demand	20570	12370
Between one and two years	22627	13069
Between two and five years	69954	43710
After five years	-	61656
Hire purchase contracts and other loans:		
Within one year or on demand	-	-
Between one and two years	3978	-
Between two and five years	-	-
After five years	240053	232553
	=====	=====

Analysis of creditors falling due after more than five years:

Aggregate of non-instalment debts that fall due for repayment after five years:

Bank loans	-	-
Debentures, loan stock and other loans	240053	232553
Finance leases and hire purchase contracts	-	-

Aggregate of instalments which fall due for payment after five years:

Bank loans	-	-
Debentures, loan stock and other loans	-	-
Finance leases and hire purchase contracts	-	-
	===	===

The other loans are unsecured, interest free and not repayable within five years.

14. PROVISIONS FOR LIABILITIES AND CHARGES

	<u>Deferred</u>	<u>Other</u>	<u>Total</u>
	<u>Taxation</u>	<u>provisions</u>	
Balance at 1 st January 2002	794	-	794
Charge for year	344	-	344
	----	----	----
Balance 31 st December 2002	1138	-	1138
	=====	=====	=====

Deferred tax:

Accelerated capital allowances	1138	794
Tax losses carried forward	-	-
	----	----
Undiscounted provision for deferred tax	1138	794
	=====	=====

GLOBAL INTERNATIONAL TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002 (Continued)

15. CALLED UP SHARE CAPITAL

The authorised, allotted and fully paid share capital of the company consisted of 5000 ordinary shares of £1 each amounting to £5000.

	<u>2002</u> £	<u>2001</u> £
Authorised		
5000 ordinary shares of £1 each	5000	5000
	=====	=====
Called up, allotted and fully paid:		
5000 ordinary shares of £1 each	5000	5000
	=====	=====

There have been no changes during the year.

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2002</u> £	<u>2001</u> £
Profit for the financial year	121583	89039
Dividends	-	-
	-----	-----
Net addition to shareholders' funds	121583	89039
Opening shareholders' funds	181919	92880
	-----	-----
Closing shareholder's funds	303502	181919
	=====	=====

17. DIRECTORS' INTERESTS IN CONTRACTS

- a) During the year the company purchased £1578099 (2001:£813434) worth of materials and sold £15375 (2001:£2548) worth of materials on normal commercial terms to/from Louvreflex International, a company in which the immediate family of P Kentor, a director, had a material interest.
- b) During the year the company paid accommodation charges to P Kentor, a director, amounting to £4100 (2001:£4100) being in respect of services provided calculated at market value.
- c) During the year the company purchased a motor vehicle from P Kentor, a director, amounting to £3000. The transaction was calculated at market value and on normal commercial terms.

18. RELATED PARTIES

The company is wholly owned by First Rock Trustees Limited, a company registered in Gibraltar, who own the whole of the issued share capital through a nominee company First Rock Holdings Limited, also registered in Gibraltar. The ultimate controlling parties are not known but it is understood there are no fellow trading subsidiaries or associated trading companies within the group.

19. CAPITAL COMMITMENTS

At the year end date the company's directors were considering the acquisition of additional freehold premises. A building had been identified as being suitable for the company, but no contracts signed at 31st December 2002. The potential cost of the building is anticipated to be approximately £750,000.

GLOBAL INTERNATIONAL TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002 (Continued)

20. LEASING COMMITMENTS

At 31st December 2002 the company had annual commitments under non-cancellable operating leases as detailed below:

	<u>2002</u>		<u>2001</u>	
	Land and Buildings	Other	Land and buildings	Other
Operating leases which expire				
Within one year	6000	-	-	-
Within two to five years	-	9912	-	-
After more than five years	-	-	-	-
	----	----	----	----
	6000	9912	-	-
	====	====	====	====

21. CONTINGENT LIABILITIES

The company is involved in a legal dispute regarding goods it supplies. The company has sought to limit its liability in this dispute to £10,000, which has been fully provided for together with the legal fees anticipated. It is not considered further material costs will arise.