

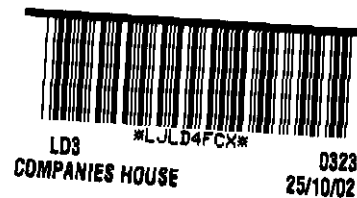
**REGISTRAR'S COPY**

Registered no. 3444488

**RUSHTON INTERNATIONAL LIMITED**

**ABBREVIATED FINANCIAL  
STATEMENTS**

**YEAR ENDED  
31 DECEMBER 2001**



**LUBBOCK FINE  
Chartered Accountants  
Russell Bedford House  
City Forum, 250 City Road  
London EC1V 2QQ**

1900 28 APR 1900

**RUSHTON INTERNATIONAL LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2001**

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**RUSHTON INTERNATIONAL LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE COMPANY**

**PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31 December 2001 prepared under Section 226 of the Companies Act 1985.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

*The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.*

**BASIS OF OPINION**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

**OPINION**


In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

**OTHER INFORMATION**

On 23 October 2002 we reported as auditors to the members of the company on the financial statements prepared under Section 226 of the Companies Act 1985 and our report included the following paragraph:

**FUNDAMENTAL UNCERTAINTY**

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the applicability of the going concern basis of preparation of these financial statements. The going concern basis assumes the continuing support of the shareholders to meet day to day working capital requirements of the company so that it can settle its liabilities as and when they arise. In view of the significance of this uncertainty we consider that it should be brought to your attention, but our opinion is not qualified in this respect.

  
**Lubbock Fine**  
Chartered Accountants  
& Registered Auditors

Date: 23 October 2002

Russell Bedford House  
City Forum, 250 City Road  
London EC1V 2QQ

**RUSHTON INTERNATIONAL LIMITED**

**ABBREVIATED BALANCE SHEET**

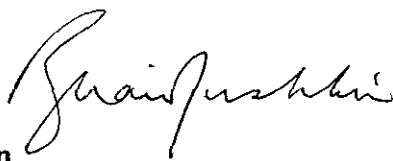
**31 DECEMBER 2001**

	Note	£	2001 £	£	2000 £
<b>FIXED ASSETS</b>	<b>2</b>				
Tangible assets			25,577		81,196
<b>CURRENT ASSETS</b>					
Stocks		47,710		45,288	
Debtors		327,848		240,703	
Cash at bank and in hand		641		24	
		376,199		286,015	
<b>CREDITORS: Amounts falling due within one year</b>	<b>3</b>	(180,377)		(370,183)	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			195,822		(84,168)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			221,399		(2,972)
<b>CREDITORS: Amounts falling due after more than one year</b>	<b>4</b>		(522,116)		(69,499)
			(300,717)		(72,471)
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	<b>5</b>		53,763		53,763
Profit and loss account			(354,480)		(126,234)
<b>DEFICIENCY</b>			(300,717)		(72,471)

These financial statements 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 22.10.02 and are signed on their behalf by:

**B Rushton**  
Director



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

# **RUSHTON INTERNATIONAL LIMITED**

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

**YEAR ENDED 31 DECEMBER 2001**

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### **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 March 2000).

#### **Going concern**

The company meets its day-to-day working capital requirements through a bank facility, which is reviewed periodically together with intercompany loans from the parent company and, after the sale of the company, from loans provided by the shareholders. The directors believe that it is appropriate to prepare the financial statements on a going concern basis, which assumes that the company will continue in operational existence in the future, on the grounds that the company's bankers and the parent company will continue their support. In addition, following the sale of the company by its parent, the new shareholders have agreed to continue to provide loan funding to the company.

These financial statements do not include any adjustments that would result from the withdrawal of the support of the bankers and shareholders.

#### **Comparative figures**

Comparative figures are for the period from 1 April 2000 to 31 December 2000.

#### **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:

Office Equipment	-	33% per annum straight line
Fixtures & Fittings	-	25% per annum straight line
Motor Vehicles	-	25% per annum straight line

#### **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 .

#### **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.

#### **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.

**RUSHTON INTERNATIONAL LIMITED****NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2001**

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**1. ACCOUNTING POLICIES (continued)****Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and loss account.

**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.

**Related party transactions**

The company has taken advantage of the exemption applicable to wholly-owned subsidiaries and has not disclosed transactions with group companies as the consolidated financial statements for the group are publicly available.

**2. FIXED ASSETS**

	<b>Tangible Assets £</b>
<b>COST</b>	
At 1 January 2001	210,476
Additions	2,620
Disposals	(85,987)
<b>At 31 December 2001</b>	<u>127,109</u>
<b>DEPRECIATION</b>	
At 1 January 2001	129,280
Charge for year	32,169
On disposals	(59,917)
<b>At 31 December 2001</b>	<u>101,532</u>
<b>NET BOOK VALUE</b>	
<b>At 31 December 2001</b>	<u>25,577</u>
At 31 December 2000	<u>81,196</u>

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

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	<b>2001 £</b>	<b>2000 £</b>
Bank loans and overdrafts	25,037	127,487
Hire purchase agreements	13,066	41,246
	<u>38,103</u>	<u>168,733</u>

**RUSHTON INTERNATIONAL LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2001**

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**4. CREDITORS: Amounts falling due after more than one year**

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	27,974	43,114
Hire purchase agreements	6,644	26,385
	<u>34,618</u>	<u>69,499</u>

**5. SHARE CAPITAL**

**Authorised share capital:**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
250,000 Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>

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

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
53,763 Ordinary shares of £1.00 each	<u>53,763</u>	<u>53,763</u>

**6. ULTIMATE PARENT COMPANY**

The ultimate parent company and controlling party is ProXchange Limited, a company registered in England and Wales. The company became a wholly owned subsidiary of ProXchange Limited on 11 January 2001.

Copies of the group accounts can be obtained from:

Companies House  
Crown Way  
Cardiff  
CF14 3UZ

**7. POST BALANCE SHEET EVENTS**

After the year end, the company has received additional short term loans from ProXchange Limited. These loans, totalling £74,652, are interest free and due for repayment in June 2002.

Subsequently, ProXchange Limited sold its whole interest in Rushton International Limited.