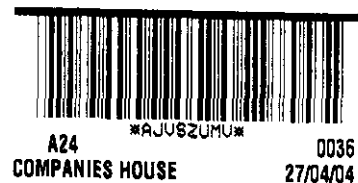


SPECIALIST LIABILITY SERVICES LIMITED
ABBREVIATED ACCOUNTS
FOR
31 DECEMBER 2003



BIRDSALL & BENNETT
Chartered Accountants & Registered Auditors
Tranquility House
1 Tranquility
Crossgates
Leeds
LS15 8QU

SPECIALIST LIABILITY SERVICES LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

CONTENTS	PAGE
Independent auditors' report to the company	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3

SPECIALIST LIABILITY SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of the company for the year ended 31 December 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

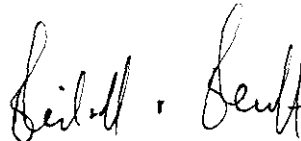
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (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 4 are properly prepared in accordance with those provisions.



BIRDSALL & BENNETT
Chartered Accountants
& Registered Auditors

Tranquility House
1 Tranquility
Crossgates
Leeds
LS15 8QU

22 April 2004

SPECIALIST LIABILITY SERVICES LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2003

	Note	2003 £	2002 £
FIXED ASSETS	2		
Tangible assets		<u>26,928</u>	<u>35,168</u>
CURRENT ASSETS			
Stocks		270,056	268,618
Debtors		163,203	112,689
Cash at bank and in hand		<u>223,100</u>	<u>89,958</u>
		656,359	471,265
CREDITORS: Amounts falling due within one year		<u>260,221</u>	<u>328,946</u>
NET CURRENT ASSETS		<u>396,138</u>	<u>142,319</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>423,066</u>	<u>177,487</u>
CAPITAL AND RESERVES			
Called-up equity share capital	3	25,000	25,000
Profit and loss account		<u>398,066</u>	<u>152,487</u>
SHAREHOLDERS' FUNDS		<u>423,066</u>	<u>177,487</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 22 April 2004 and are signed on their behalf by:



MR M WOOLSTON

The notes on pages 3 to 4 form part of these abbreviated accounts.

SPECIALIST LIABILITY SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

1. ACCOUNTING POLICIES

Basis of accounting

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

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:

Computer Equipment	- 25% straight line
Motor Vehicles	- 25% straight line
Equipment	- 25% straight line

Work in progress

Work in progress is valued on the basis of direct cost plus attributable overheads based on normal level of activity. Provision is made for any foreseeable loss where appropriate.

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.

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.

Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the accounts and their recognition in a tax computation.

Assets and liabilities are calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money.

SPECIALIST LIABILITY SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 January 2003	80,680
Additions	17,027
Disposals	<u>(34,314)</u>
At 31 December 2003	<u>63,393</u>
DEPRECIATION	
At 1 January 2003	45,512
Charge for year	13,154
On disposals	<u>(22,201)</u>
At 31 December 2003	<u>36,465</u>
NET BOOK VALUE	
At 31 December 2003	<u>26,928</u>
At 31 December 2002	<u>35,168</u>

3. SHARE CAPITAL

Authorised share capital:

	2003 £	2002 £
15,000 Ordinary 'A' shares of £1 each	15,000	15,000
10,000 Ordinary 'B' shares of £1 each	10,000	10,000
	<u>25,000</u>	<u>25,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary 'A' shares of £1 each	15,000	15,000	15,000	15,000
Ordinary 'B' shares of £1 each	10,000	10,000	10,000	10,000
	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

A and B shares rank pari passu for voting at meetings of the company and for rights to income and distributions, but carry different rights in respect of the appointment of directors.