

G & H HOSE & HYDRAULICS LTD
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST JULY 2002



BERESFORDS
Chartered Accountants & Registered Auditors
Castle House
Castle Hill Avenue
Folkestone
Kent CT20 2TQ

G & H HOSE & HYDRAULICS LTD
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST JULY 2002

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G & H HOSE & HYDRAULICS LTD

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 31st July 2002 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITORS

The director is 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.

Castle House
Castle Hill Avenue
Folkestone
Kent CT20 2TQ

21st November 2002

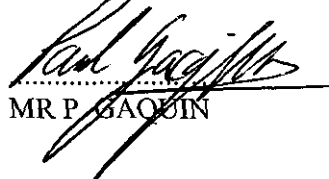

BERESFORDS
Chartered Accountants
& Registered Auditors

G & H HOSE & HYDRAULICS LTD**ABBREVIATED BALANCE SHEET****31ST JULY 2002**

	Note	£
FIXED ASSETS	2	
Intangible assets		28,809
Tangible assets		<u>32,262</u>
		61,071
CURRENT ASSETS		
Stocks		47,922
Debtors		128,366
Cash at bank and in hand		<u>40,578</u>
		216,866
CREDITORS: Amounts falling due within one year		<u>(114,836)</u>
NET CURRENT ASSETS		102,030
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>163,101</u>
CREDITORS: Amounts falling due after more than one year		(145,470)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(1,340)</u>
		<u>16,291</u>
CAPITAL AND RESERVES		
Called-up equity share capital	3	1
Profit and Loss Account		<u>16,290</u>
SHAREHOLDERS' FUNDS		<u>16,291</u>

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 and signed by the director on 20/11/02


MR P. GAOJIN

G & H HOSE & HYDRAULICS LTD**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST JULY 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 March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Amortisation

Amortisation 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:

Goodwill - 10 years straight line.

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:

Plant and machinery	- 10 years straight line basis.
Fixtures and fittings -	10 years straight line basis.
Office equipment	- 5 years straight line basis.

Stocks

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

Deferred taxation

The company provides for deferred taxation on timing differences which are expected to reverse in the foreseeable future.

G & H HOSE & HYDRAULICS LTD**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST JULY 2002****2. FIXED ASSETS**

	Intangible Assets £	Tangible Assets £	Total £
COST			
Additions	32,010	36,362	68,372
At 31st July 2002	<u>32,010</u>	<u>36,362</u>	<u>68,372</u>
DEPRECIATION			
Charge for year	3,201	4,100	7,301
At 31st July 2002	<u>3,201</u>	<u>4,100</u>	<u>7,301</u>
NET BOOK VALUE			
At 31st July 2002	<u>28,809</u>	<u>32,262</u>	<u>61,071</u>

3. SHARE CAPITAL**Authorised share capital:**

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

Allotted, called up and fully paid:

	2002 £
Ordinary share capital	—
Issue of ordinary shares	<u>1</u>
	<u>1</u>