

BARNAT LIMITED

FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST JANUARY 1998

Lever Bros. & Co.
CHARTERED ACCOUNTANTS

Company Number: 01494556



BARNAT LIMITED
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST JANUARY 1998

The Directors present their annual report with the accounts of the company for the year ended 31st January 1998.

RESULTS AND DIVIDENDS

The retained loss of the company for the year was £(25,732), (Last year profit - £40,987). A dividend of £9,000 was paid during the year, (Last Year - £7,000).

REVIEW OF BUSINESS

The directors consider the results for the year to be acceptable, in the light of the Inter-Company Loan waiver. The directors also consider the trading outlook to be satisfactory.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was to provide management services. There were no significant changes during the year.

DIRECTORS

The Directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	THIS YEAR	LAST YEAR
M.W. Jones	58	58
G.B. Jones	40	40

FIXED ASSETS

Changes in the fixed assets of the company are contained in the notes to the accounts.

Signed on behalf of the
board of directors by

Gillian Boulton

G.B. Jones
Secretary

26th November 1998.

BARNAT LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JANUARY 1998

	<u>Notes</u>	<u>THIS YEAR</u>	<u>LAST YEAR</u>
		£	£
TURNOVER	2	87,262	82,471
Net Operating Expenses:			
Administrative Expenses	101,293	82,224	
Profit on Sale of Fixed Assets	-	(49,430)	
		101,293	32,794
<u>OPERATING (LOSS)/PROFIT</u>	3	(14,031)	49,677
Interest Receivable & Similar Income	6	548	228
		(13,483)	49,905
Interest Payable and Similar Charges	7	2,241	1,918
<u>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		(15,724)	47,987
Tax on Ordinary Activities	8	(1,008)	-
<u>(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		(16,732)	47,987
Dividends		9,000	7,000
<u>RETAINED (LOSS)/PROFIT FOR THE YEAR</u>		£ (25,732)	£ 40,987
		=====	=====
<u>STATEMENT OF RETAINED EARNINGS</u>			
Retained Profit Brought Forward		80,296	39,309
Retained (Loss)/Profit for the Year		(25,732)	40,987
RETAINED PROFIT CARRIED FORWARD		£ 54,564	£ 80,296
		=====	=====

None of the company's activities were acquired or discontinued during the above two financial years.

STATEMENT OF RECOGNISED GAINS AND LOSSES

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 4 to 8 form part of these accounts.


BARNAT LIMITEDBALANCE SHEET
AS AT 31ST JANUARY 1998

	<u>Notes</u>	<u>THIS YEAR</u>	<u>LAST YEAR</u>
		£	£
FIXED ASSETS			
Tangible Assets	9	40,618	44,277
CURRENT ASSETS			
Debtors	10	27,776	45,391
Cash at Bank and in Hand		15,417	24,055
		-----	-----
		43,193	69,446
CREDITORS : amounts falling due within one year	11	16,693	15,041
		-----	-----
NET CURRENT ASSETS		26,500	54,405
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		67,118	98,682
CREDITORS : amounts falling due after more than one year	12	12,454	18,286
		-----	-----
		£ 54,664	£ 80,396
		=====	=====
CAPITAL AND RESERVES			
Share Capital	13	100	100
Profit and Loss Account	14	54,564	80,296
		-----	-----
SHAREHOLDERS' FUNDS - Equity Interest	15	£ 54,664	£ 80,396
		=====	=====

The Directors have taken advantage of the exemption conferred by section 249A(1) not to have these accounts audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985.

The Directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and that the accounts give a true and fair view of the state of affairs of the company as at 31st January 1998 and of its loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as they are applicable to the company.

Signed on behalf of the
board of directors by



M.W. Jones (Director)

Approved by the board: 26th November 1998.

BARNAT LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY 1998

1. ACCOUNTING POLICIESBasis of Accounting

The accounts have been prepared under the historical cost convention and applicable accounting standards.

Turnover

Turnover represents the net invoices to customers, excluding VAT.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful economic life:

Plant and Equipment	7.5% - 20% Reducing Balance
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Deferred Taxation

Deferred Taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

2. TURNOVER

The turnover and loss before taxation for the year is attributable to the principal activity of the Company which was to provide management services.

3. OPERATING (LOSS)/PROFIT

The Operating Loss (LAST YEAR - Profit) is stated after charging:

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Depreciation of Tangible Fixed Assets	4,128	4,611
Staff Costs - note 4	22,878	21,916
Hire of Equipment	3,314	12,035
Waiver of Inter-Company Loan	(19,815)	-
	=====	=====

4. STAFF COSTS

The costs incurred, including directors remuneration (note 5), were as follows:

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Salaries and Wages	21,064	20,111
Social Security Costs	1,814	1,805
	-----	-----
	22,878	21,916
	=====	=====

The average number of employees during the year was as follows: - Directors

	2		2
	===		===

BARNAT LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY 1998

5. DIRECTORS' REMUNERATION

	<u>THIS YEAR</u> £	<u>LAST YEAR</u> £
Staff Costs include Directors' Remuneration. Directors' Remuneration excludes Pension Contributions.		
Directors' Remuneration	21,064 =====	20,111 =====

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>THIS YEAR</u> £	<u>LAST YEAR</u> £
Bank Interest Received	548 =====	228 =====

7. INTEREST PAYABLE

	<u>THIS YEAR</u> £	<u>LAST YEAR</u> £
Bank Interest	2,241 =====	1,918 =====

8. TAXATION

The tax charge on the loss on ordinary activities was as follows:

	<u>THIS YEAR</u> £	<u>LAST YEAR</u> £
Corporation Tax	1,000	-
Under/(Over) provision in previous years	8 =====	- =====

Corporation Tax has been charged on profits at 23% (last year - 24%).

9. TANGIBLE FIXED ASSETS

	<u>Plant & Equipment</u> £	<u>TOTAL</u> £
COST		
At 1st February 1997	57,775	57,775
Additions in year	470	470
Disposals in year	- -----	- -----
At 31st January 1998	58,245 =====	58,245 =====
DEPRECIATION		
At 1st February 1997	13,499	13,499
Charge for year	4,128 -----	4,128 -----
At 31st January 1998	17,627 =====	17,627 =====
NET BOOK VALUE		
At 31st January 1998	40,618 =====	40,618 =====
At 31st January 1997	44,277 =====	44,277 =====

BARNAT LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY 1998

10. DEBTORS

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Amounts due within one year:		
Trade Debtors	3,380	2,149
Other Debtors	21,387	41,333
Prepayments & Accrued Income	3,009	1,909
	-----	-----
	27,776	45,391
	=====	=====

11. CREDITORS

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Amounts falling due within one year:		
Bank Loan Account	5,800	5,200
Trade Creditors	4,485	2,684
Taxation	1,000	-
Social Security & Other Government Taxes	1,209	1,958
Accruals	3,441	3,441
Director's Loan Account	758	1,758
	-----	-----
	16,693	15,041
	=====	=====

12. CREDITORS

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Amounts falling due after more than one year:		
Bank Loan Account	12,454	18,286
	=====	=====
Maturity of Loan		
Due within one year	5,800	
Due within one to two years	6,360	
Due within two to five years	6,094	
	=====	

13. SHARE CAPITAL

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Authorised		
100 Ordinary Shares at £1 each	100	100
	=====	=====
Allotted, Issued and Fully Paid		
100 Ordinary Shares at £1 each	100	100
	=====	=====

BARNAT LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY 1998

14. RESERVES

	<u>Profit & Loss A/c</u> £
At 1st February 1997	80,296
Retained Loss for the year	(25,732)

At 31st January 1998	54,564
	=====

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>THIS YEAR</u> £	<u>LAST YEAR</u> £
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	(16,732)	47,987
Dividends	9,000	7,000
	-----	-----
Net (reduction)/addition to shareholders' funds	(25,732)	40,987
Opening Shareholders' Funds	80,396	39,409
	-----	-----
Closing Shareholders' Funds	54,664	80,396
	=====	=====

16. FINANCIAL COMMITMENTS

Operating Leases

At 31st January 1998 the company had annual commitments under non-cancellable operating leases as set out below :-

	<u>THIS YEAR</u>		<u>LAST YEAR</u>	
	Land and Buildings £	Other £	Land and Buildings £	Other £
Operating Leases that expire:				
within one year	-	-	-	6,969
in the second to fifth years	-	-	-	-
over five years	-	-	-	-
	-----	-----	-----	-----
	-	-	-	6,969
	=====	=====	=====	=====

BARNAT LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY 199817. RELATED PARTIES AND CONTROL

The company was under the control of M.W. Jones throughout the year.

During the year the company incurred the following transactions with related parties, all companies having influence from a similar source.

Name of Company	Service Charge
	Receivable
	£
C. Jones and Associates (Heating and Mechanical Services) Limited	45,600

Other debtors includes an amount of £19,637 owed by C. Jones and Associates (Heating and Mechanical Services) Limited.