

BARNAT LIMITED
FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST JANUARY 1995

Lever Bros. & Co.
CHARTERED ACCOUNTANTS

Company Number: 01494556



BARNAT LIMITED
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST JANUARY 1995

The Directors' present their annual report with the accounts of the company for the year ended 31st January 1995.

RESULTS AND DIVIDENDS

The retained profit of the company for the year was £1,387, (Last Year £826). We do not recommend the payment of a dividend.

REVIEW OF BUSINESS

The directors consider the results for the year to be acceptable and the current 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	88	88
G.B. Jones	40	10

FIXED ASSETS

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

AUDITORS

Messrs. Lever Bros. & Co., have indicated their willingness to continue in office and a resolution will be proposed at the Annual General Meeting to re-appoint them as auditors for the ensuing year.

Signed on behalf of the
board of directors by

Gillian Jones

G.B. Jones
Secretary

16th November 1995.

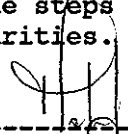
BARNAT LIMITEDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required under company law 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 judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 to 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.

16th November 1995.



By Order of the Board

AUDITORS' REPORT TO THE SHAREHOLDERS
OF BARNAT LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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.

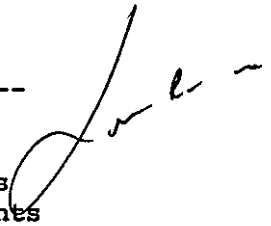
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st January 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the company is entitled for the year ended 31st January 1995 to the exemption conferred by the Companies Act 1985 s248 from the requirement to prepare group accounts.

Lever Bros. & Co.
Registered Auditors
Chartered Accountants
Lever House
138-140 Southwark Street
London
SE1 0SW



BARNAT LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JANUARY 1995

	<u>Notes</u>	<u>THIS YEAR</u>	<u>LAST YEAR</u>
		£	£
TURNOVER	2	81,618	76,884
Net Operating Expenses:			
Administrative Expenses		78,795	74,828
		-----	-----
<u>OPERATING PROFIT</u>	3	2,823	2,056
Interest Payable and Similar Charges	7	1,436	2,130
		-----	-----
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES</u>			
<u>BEFORE TAXATION</u>		1,387	(74)
Tax on Ordinary Activities	6	-	900
		-----	-----
<u>PROFIT ON ORDINARY ACTIVITIES</u>			
<u>AFTER TAXATION</u>		£ 1,387	£ 826
		=====	=====
<u>STATEMENT OF RETAINED EARNINGS</u>			
Retained Profit Brought Forward		34,740	33,914
Retained Profit for the Year		1,387	826
		-----	-----
RETAINED PROFIT CARRIED FORWARD		£ 36,127	£ 34,740
		=====	=====

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 6 to 9 form part of these accounts.

BARNAT LIMITEDBALANCE SHEET
AS AT 31ST JANUARY 1995

	<u>Notes</u>	<u>THIS YEAR</u>	<u>LAST YEAR</u>
		£	£
FIXED ASSETS			
Tangible Assets	10	102,081	76,001
Investments	9	3	3
		-----	-----
		102,084	76,004
CURRENT ASSETS			
Debtors	8	10,231	11,248
		-----	-----
		10,231	11,248
CREDITORS : amounts falling due within one year	11	76,088	52,412
		-----	-----
NET CURRENT LIABILITIES		(65,857)	(41,164)
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 36,227	£ 34,840
		=====	=====
CAPITAL AND RESERVES			
Share Capital	13	100	100
Profit and Loss Account		36,127	34,740
		-----	-----
	12	£ 36,227	£ 34,840
		=====	=====

Signed on behalf of the
board of directors by



M.W. Jones
Director

Approved by the board: 16th November 1995.

The notes on pages 6 to 9 form part of these accounts.

BARNAT LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY 1995

1. ACCOUNTING POLICIESBasis of Accounting

The accounts have been prepared under the historical cost convention.

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:

Improvements to Premises	5% Straight Line
Motor Vehicles	25% Reducing Balance
Plant and Equipment	5% - 20% Reducing Balance

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 Profit before taxation for the year is attributable to the principal activity of the Company which was to provide management services.

3. OPERATING PROFIT/(LOSS)

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

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Depreciation of Tangible Fixed Assets	7,685	2,687
Staff Costs - note 4	20,403	28,435
Hire of Equipment	14,721	11,719
Auditors Remuneration	1,650	1,650
	=====	=====

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	19,275	26,089
Social Security Costs	1,128	2,346
	-----	-----
	20,403	28,435
	=====	=====

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

3	3
===	===

BARNAT LIMITEDNOTES TO ACCOUNTSFOR THE YEAR ENDED 31ST JANUARY 19955. DIRECTORS' REMUNERATION

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Staff Costs include Directors' Emoluments. Directors' Remuneration excludes Pension Contributions.		
Directors' Remuneration	17,606 =====	16,991 =====
Chairman	2,400 =====	2,400 =====
Highest Paid Director	15,206 =====	14,591 =====

6. TAXATION

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

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Under/(Over) provision in previous years	- =====	(900) =====

The company has no liability for Corporation tax for the year, (Last year - £Nil).

7. INTEREST PAYABLE

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Bank Interest	1,436 ----- 1,436 =====	2,130 ----- 2,130 =====

8. DEBTORS

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Amounts due within one year:		
Trade Debtors	3,735	2,908
Other Debtors	-	861
Prepayments & Accrued Income	6,496 ----- 10,231 =====	7,479 ----- 11,248 =====

BARNAT LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY 1995

9. FIXED ASSETS INVESTMENTS

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Investments	3	3
	=====	=====

This represents the cost of 88% of the ordinary share capital of C. Jones & Associates (Heating & Mechanical Services) Limited, a company registered in England and Wales and whose principal activity is of heating and ventilation engineering.

Barnat Limited is not required to prepare group accounts as the group qualifies as a small group under s248 of the Companies Act 1985.

C.Jones and Associates
(Heating and Mechanical Services) Limited

	<u>This Year</u>	<u>Last Year</u>
	£	£
Aggregate Share Capital and Reserves	31,910	39,922
	=====	=====
Profit/(Loss) for the year	(8,012)	4,293
	=====	=====
Total Investment under the Equity Method of Investment	28,081	35,131
	=====	=====

10. TANGIBLE FIXED ASSETS

	<u>Motor Vehicles</u>	<u>Plant & Equipment</u>	<u>Improvements to Premises</u>	<u>TOTAL</u>
	£	£	£	£
COST				
At 1st February 1994	7,420	88,352	23,061	118,833
Additions in year	-	1,625	32,140	33,765
	-----	-----	-----	-----
At 31st January 1995	7,420	89,977	55,201	152,598
	=====	=====	=====	=====
DEPRECIATION				
At 1st February 1994	7,166	34,476	1,190	42,832
Charge for year	64	4,920	2,701	7,685
	-----	-----	-----	-----
At 31st January 1995	7,230	39,396	3,891	50,517
	=====	=====	=====	=====
NET BOOK VALUE				
At 31st January 1995	190	50,581	51,310	102,081
	=====	=====	=====	=====
At 31st January 1994	254	53,876	21,871	76,001
	=====	=====	=====	=====

BARNAT LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31ST JANUARY 1995

11. CREDITORS

Amounts falling due within one year:	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
Bank overdraft	19,337	19,443
Trade Creditors	3,238	4,405
Amounts Owed to Subsidiary Undertakings	30,969	4,651
Social Security & Other Government Taxes	82	560
Accruals	5,528	4,231
Director's Loan Account	204	392
Amounts Owed to an Associated Company	16,730	18,730
	-----	-----
	76,088	52,412
	=====	=====

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>THIS YEAR</u>	<u>LAST YEAR</u>
	£	£
PROFIT FOR THE FINANCIAL YEAR	1,387	826
	-----	-----
Net addition to shareholders' funds	1,387	826
Opening Shareholders' Funds	34,840	34,014
	-----	-----
Closing Shareholders' Funds	36,227	34,840
	=====	=====

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
	=====	=====

14. FINANCIAL COMMITMENTS

Operating Leases

At 31st January 1995 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	-	3,783	-	2,277
in the second to fifth years	-	3,482	-	4,540
over five years	-	-	-	-
	-----	-----	-----	-----
	-	7,265	-	6,817
	=====	=====	=====	=====