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Report of the Directors and

Financial Statements for the Year Ended 31 October 2001

for

Century Engineering & Refrigeration Installations Limited

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Century Engineering & Refrigeration Installations Limited

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Century Engineering & Refrigeration Installations Limited

Company Information for the Year Ended 31 October 2001

DIRECTORS:	J L Hazelton Mrs N A J Hazelton
SECRETARY:	Mrs N A J Hazelton
REGISTERED OFFICE:	Unit 7, Monaco Works Station Road Kings Langley HERTS. WD4 8LQ
REGISTERED NUMBER:	1921649 (England and Wales)
AUDITOR:	Paul Barnes Registered Auditor Chartered Certified Accountant "room s" 8 Copperkins Grove Amersham Bucks HP6 5QD

Century Engineering & Refrigeration Installations Limited

Report of the Directors for the Year Ended 31 October 2001

The directors present their report with the financial statements of the company for the year ended 31 October 2001.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of refrigeration, air conditioning and installation engineers.

DIRECTORS
The directors during the year under review were:

J L Hazelton
Mrs. N A J Hazelton

The beneficial interests of the directors holding office on 31 October 2001 in the issued share capital of the company were as follows:

	31.10.01	1.11.00
Ordinary £1.00 shares		
J L Hazelton	500	1
Mrs. N A J Hazelton	500	1

YEAR 2000 REVIEW
The Company has reviewed its exposure to potential issues brought about by the use of systems and procedures that may be affected by year 2000 changes and considers that any potential impact may be minimal.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
Company law requires the directors 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 judgements 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.

AUDITOR
The auditor, Paul Barnes, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

.....
- DIRECTOR

Dated: 12/9/02

Century Engineering & Refrigeration Installations Limited

Report of the Independent Auditor to the Shareholders of Century Engineering & Refrigeration Installations Limited

I have audited the financial statements of Century Engineering & Refrigeration Installations Limited for the year ended 31 October 2001 on pages four to ten. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

Respective responsibilities of directors and auditor

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I also report to you if, in my opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

I read the Report of the Directors and consider the implications for my report if I become aware of any apparent misstatements within it.

Basis of audit opinion

I conducted my audit in accordance with United Kingdom 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 judgements 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 October 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Paul Barnes
Registered Auditor
Chartered Certified Accountant
"room s"
8 Copperkins Grove
Amersham
Bucks HP6 5QD

Dated: 29 July '02

Century Engineering & Refrigeration Installations Limited

Profit and Loss Account for the Year Ended 31 October 2001

	Notes	31.10.01	31.10.00
		£	£
TURNOVER		1,434,863	1,823,137
Cost of sales		1,191,365	1,628,196
GROSS PROFIT		243,498	194,941
Administrative expenses		177,079	174,196
OPERATING PROFIT	2	66,419	20,745
Interest receivable and similar income		4,079	4,124
		70,498	24,869
Interest payable and similar charges		3,166	2,283
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		67,332	22,586
Tax on profit on ordinary activities	3	13,750	18,000
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		53,582	4,586
Retained profit brought forward		516,304	511,718
RETAINED PROFIT CARRIED FORWARD		£569,886	£516,304

The notes form part of these financial statements

Century Engineering & Refrigeration Installations Limited

Statement of Total Recognised Gains and Losses for the Year Ended 31 October 2001

	31.10.01	31.10.00
	£	£
PROFIT FOR THE FINANCIAL YEAR	53,582	4,586
revaluation of freehold property	30,000	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	£83,582	£4,586

The notes form part of these financial statements

Century Engineering & Refrigeration Installations Limited

Balance Sheet
31 October 2001

	Notes	31.10.01 £	31.10.01 £	31.10.00 £	31.10.00 £
FIXED ASSETS:					
Tangible assets	4		145,612		95,825
Investments	5		-		-
			145,612		95,825
CURRENT ASSETS:					
Stocks		18,872		16,342	
Debtors	6	509,106		599,614	
Cash at bank and in hand		220,033		216,961	
		748,011		832,917	
CREDITORS: Amounts falling due within one year	7	347,455		467,154	
NET CURRENT ASSETS:			400,556		365,763
TOTAL ASSETS LESS CURRENT LIABILITIES:			£546,168		£461,588
CAPITAL AND RESERVES:					
Called up share capital	9		1,000		2
Revaluation reserve	10		(24,718)		(54,718)
Profit and loss account			569,886		516,304
SHAREHOLDERS' FUNDS:			£546,168		£461,588

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

ON BEHALF OF THE BOARD:

.....
- DIRECTOR

.....
- DIRECTOR

Approved by the Board on 29 July 2002

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover
Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor Vehicles	– 25% straight-line basis
Fixtures, Fittings & Equipment	- 15% - 20% straight-line basis
Freehold/Long Leasehold Property	- at valuation or 2% straight-line basis

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

Deferred taxation
Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.10.01	31.10.00
	£	£
Depreciation - owned assets	20,579	12,371
Profit on disposal of fixed assets	(1,128)	-
Auditor's remuneration	2,000	4,483
Directors' emoluments and other benefits etc	15,000	10,000

3. TAXATION

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

	31.10.01	31.10.00
	£	£
UK corporation tax	13,750	18,000

UK corporation tax has been charged at 20% (2000 - 20%).

4. TANGIBLE FIXED ASSETS

	Freehold property	Fixtures and fittings	Motor vehicles	Computer equipment	Totals
	£	£	£	£	£
COST OR VALUATION:					
At 1 November 2000	65,000	6,624	78,813	11,346	161,783
Additions	-	-	38,215	4,273	42,488
Disposals	-	-	(11,921)	-	(11,921)
Surplus on revaluation	30,000	-	-	-	30,000
At 31 October 2001	95,000	6,624	105,107	15,619	222,350
DEPRECIATION:					
At 1 November 2000	-	6,035	48,578	11,345	65,958
Charge for year	-	331	18,838	1,410	20,579
Eliminated on disposals	-	-	(9,799)	-	(9,799)
At 31 October 2001	-	6,366	57,617	12,755	76,738
NET BOOK VALUE:					
At 31 October 2001	95,000	258	47,490	2,864	145,612
At 31 October 2000	65,000	589	30,235	1	95,825

Following a professional review undertaken in February 2002, by Freeth Melhuish, Chartered Surveyors, for the purpose of obtaining a potential disposal valuation, the Company's freehold property asset at Kings Langley, Hertfordshire was valued at £95,000. Consequently the assets valuation has been amended at the year end date to reflect the current realisable values.

5. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 November 2000 and 31 October 2001	50,000
PROVISIONS:	
At 1 November 2000 and 31 October 2001	50,000
NET BOOK VALUE:	
At 31 October 2001	-
At 31 October 2000	-

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

PAC Distribution Ltd. commenced trading activities in September 1997 and ceased to trade in March 2000. The financial statements of the Company do not include the results of PAC Distribution Ltd. PAC Distribution Ltd was struck from the Register of Companies on 19 June 2001. The Company did not recover any funds advanced to PAC Distribution Ltd. As a consequence, the Company has provided in full for both the cost of the fixed asset investment and current account balances. The results of the Company reflect these adjustments together with payment of guarantee obligations paid to PAC Distribution Limited's bankers.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.01 £	31.10.00 £
Sales Ledger Control Account	506,936	596,126
Debtors & Prepayments	2,170	3,488
	509,106	599,614

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.01 £	31.10.00 £
Bank loans and overdrafts	165,616	82,648
Purchase Ledger Control Acc.	97,528	224,871
Directors current accounts	8,975	20,137
Hire purchase	10,300	10,918
CER Intercompany Account	-	317
Creditors & Accruals	12,941	42,244
Bad Debts Provision	3,559	-
Bank Loan	25,433	40,206
V.A.T.	9,353	14,625
Taxation	13,750	31,188
	347,455	467,154

8. SECURED DEBTS

The following secured debts are included within creditors:

	31.10.01 £	31.10.00 £
Bank overdrafts	165,616	82,648
Bank loans	25,433	40,206
	191,049	122,854

The Company's bankers hold a fixed and floating charge over the assets of the Company in support of facilities made available to the Company.

9. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	31.10.01 £	31.10.00 £
50,000 (31.10.00 – 100)	Ordinary	£1.00	50,000	100

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.10.01 £	31.10.00 £
1,000 (31.10.00 – 2)	Ordinary	£1.00	1,000	2

During the year under review the Company, allotted and issued 998 £1.00 Ordinary Shares fully paid for cash at par.

10. REVALUATION RESERVE

	31.10.01	31.10.00
	£	£
Brought forward	(54,718)	(54,718)
additions	30,000	-
	(24,718)	(54,718)

11. TRANSACTIONS WITH DIRECTORS

Mr J L Hazelton, a director of the Company, is the sole proprietor of CERCO an unincorporated business which supplies, at arms length and on full commercial terms, labour and consultancy services to the Company. During the course of the year under review the Company was invoiced £370,388 (1999 - £253,635) by CERCO.

Mr J L Hazelton and Mrs N A J Hazelton are both Directors of PAC Distribution Limited, a subsidiary of the Company that during the period to 31st March 2000 supplied goods to the Company (at arms length) amounting to £64,075 (1999 - £227,522). PAC Distribution Limited was in June 2001 struck from the register of companies.

12. RELATED PARTY DISCLOSURES

J L Hazelton is the proprietor of CERCO; an unincorporated business which supplies labour and professional services at arms length to the Company. During the year under review the value of such services amounted to £298,207 (2000 - £370,388).

Mr J L Hazelton and Mrs N A J Hazelton were Directors and had an indirect beneficial interest in the issued share capital of PAC Distribution Limited a private incorporated business that supplied, on an arms length basis, certain goods and consumables to the Company. PAC Distribution Limited ceased to trade in March 2000 and was struck from the register of companies in June 2001. During the year ended 31 October 2000 goods supplied to the company by PAC Distribution Limited amounted to £64,075.