

**ELECO BUILDING PRODUCTS LIMITED**

Registered Number: 02734227

**ACCOUNTS**

**for the year ended 30TH JUNE 2001**

**I N D E X**

1	Report of the directors
2	Statement of directors' responsibilities
3	Report of the independent auditors
4	Profit and loss account
5	Balance sheet
6 - 7	Notes to the accounts



**ELECO BUILDING PRODUCTS LIMITED****DIRECTORS' REPORT**

The Directors submit their report and accounts for the year ended 30th June 2001.

**RESULTS AND DIVIDEND**

The profit for the financial year was £0. The Directors do not recommend the payment of an ordinary dividend.

**REVIEW OF THE BUSINESS**

The company's principal activity during the year was an investment and holding company.

**DIRECTORS AND THEIR INTERESTS**

The Directors, who served in the year, had the following interests in the ordinary share capital of the holding company, Eleco plc:

	Ordinary Shares of 10p each		Options over Ordinary Shares of 10p each			
	At 30.6.2001 or on resignation	At 1.7.2000 or on appointment	At 30.6.2001 or on resignation	New options granted	Options exercised	At 1.7.2000 or on appointment
N J A Tsappis (resigned 2 March 2001)	10,000	10,000	Nil	Nil	Nil	Nil
N Hopkins (appointed 2 March 2001; resigned 4 June 2001)	Nil	Nil	Nil	Nil	Nil	Nil
L N Holdcroft (appointed 4 June 2001)	Nil	Nil	Nil	Nil	Nil	Nil
D S Dannhauser			(Director of Eleco plc)			

Restricted Share Awards under the Eleco plc Long Term Incentive Plan granted or outstanding during the year are as follows:

	At 30.6.2001 or on resignation	Lapsed	Awarded during year	At 1.7.2000 or on appointment	Vesting Date
N J A Tsappis (resigned 2 March 2001)	-	(25,000)	-	25,000	1 November 2002
N Hopkins (appointed 2 March 2001; resigned 4 June 2001)	25,000	-	-	25,000	1 November 2002
	5,000	-	5,000	-	1 November 2003

The interests of D S Dannhauser in the shares of the holding company are shown in the accounts of Eleco plc.

The company maintains Directors' and Officers' Liability insurance.

**AUDITORS**

A resolution to re-appoint the auditors, PricewaterhouseCoopers, will be proposed at the Annual General Meeting.

Eleco House  
15 Gentlemen's Field  
Westmill Road, Ware  
Herts SG12 0EF

15th October 2001

BY ORDER OF THE BOARD



L.N. Holdcroft  
Secretary

**ELECO BUILDING PRODUCTS LIMITED**

**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 the 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;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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.

## **Independent auditors' report to the members of Eleco Building Products Limited**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

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

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

### **Basis of audit 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 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.

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 at 30 June 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

Chartered Accountants and Registered Auditors

Cambridge 16 October 2001.

**ELECO BUILDING PRODUCTS LIMITED****PROFIT AND LOSS ACCOUNT****for the year ended 30TH JUNE**

	NOTES	<u>2001</u>	<u>2000</u>
Dividends receivable		-	90,340
Profit on ordinary activities before taxation		-	90,340
Tax on profit on ordinary activities	3	-	-
Profit on ordinary activities after taxation		-	90,340
Dividend	4	-	(90,340)
Retained profit for the financial year		-	-
Retained profit brought forward		-	-
Retained profit carried forward		£ -	£ -

All company operations are continuing.

The company has no other recognised gains and losses.

**ELECO BUILDING PRODUCTS LIMITED****BALANCE SHEET as at 30TH JUNE****2001****2000****NOTES****FIXED ASSETS**

Investments:

Shares in related companies

5

371,091

371,091

-----  
371,091-----  
371,091**CURRENT ASSETS**

Debtors

6

100

48,661

-----  
100-----  
48,661**CREDITORS : AMOUNTS FALLING DUE  
WITHIN ONE YEAR**

7

-

(48,561)

-----

-----

**NET CURRENT ASSETS**

100

100

**TOTAL ASSETS LESS CURRENT  
LIABILITIES**

371,191

371,191

**NET ASSETS**

£ 371,191

£ 371,191

**CAPITAL AND RESERVES**

Called up share capital

8

371,191

371,191

Profit and loss account

-

-

**EQUITY SHAREHOLDERS' FUNDS**

9

£ 371,191

£ 371,191

The financial statements on pages 4 to 7 were approved by the board of directors on 15th October 2001, and signed on its behalf by:



D. S. DANNHAUSER - DIRECTOR

**ELECO BUILDING PRODUCTS LIMITED****NOTES TO THE ACCOUNTS for the year ended 30th June 2001****1 ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been consistently applied, is set out below.

**Changes in presentation of financial information:**

The company has adopted the provisions of the following Financial Reporting Standards.

FRS17 - Retirement Benefits

FRS18 - Accounting Policies

It has not been necessary to restate comparative figures to reflect these changes of policy.

**Basis of accounting:**

The accounts are prepared under the historical cost convention.

**Tangible fixed assets**

The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition.

**Deferred taxation:**

Deferred taxation is provided by the liability method in respect of all timing differences which are expected to reverse in the foreseeable future.

**Cash flow:**

The company is a wholly owned subsidiary of Eleco plc and the cash flows of the company are included in the consolidated group cash flow statement of Eleco plc. Consequently the company is exempt from the requirement to publish a cash flow statement.

**Group financial statements:**

The financial statements refer only to the company as a single undertaking and are not consolidated.

The company is exempt from publishing group financial statements as it is the subsidiary of an undertaking established under the laws of an EC member and is included in the consolidated accounts of that undertaking.

**Related party transactions:**

As a wholly owned subsidiary, whose results are included in the consolidated financial statements of Eleco plc (see note 10), the company is exempt from the requirement to disclose details of transactions and balances with other group companies. The directors do not consider that any other related party transactions were undertaken in the year.

**2 EMPLOYEES (including directors)**

The company has no employees (2000: Nil).

**3 TAX ON PROFIT ON ORDINARY ACTIVITIES**

Corporation tax at 30.00% (2000: - 30.00%) on the result for the year comprises:-

	<u>2001</u>	<u>2000</u>
Payable	£ -	£ -
	=====	=====

**4 DIVIDENDS**

	<u>2001</u>	<u>2000</u>
Ordinary:		
Interim paid of £ Nil (2000: £ 0.11) per share	-	41,779
Final proposed of £ Nil (2000: £ 0.13) per share	-	48,561
	-----	-----
	£ -	£ 90,340
	=====	=====

**ELECO BUILDING PRODUCTS LIMITED****NOTES TO THE ACCOUNTS (continued) for the year ended 30th June 2001****5 SHARES IN RELATED COMPANIES**

	<u>2001</u>	<u>2000</u>
Investment in subsidiary undertakings:		
Eleco Bauprodukte GmbH - (100%)	£ 371,091	£ 371,091

Eleco Bauprodukte GmbH is a trading company incorporated in Germany.

**6 DEBTORS**

	<u>2001</u>	<u>2000</u>
Due within one year:		
Amount owed by parent undertaking	100	100
Dividends receivable	-	48,561
	-----	-----
	£ 100	£ 48,661
	=====	=====

**7 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2001</u>	<u>2000</u>
Dividends payable	£ -	£ 48,561
	=====	=====

**8 CALLED UP SHARE CAPITAL**

	<u>2001</u>	<u>2000</u>
Authorised:		
1,000,000 ordinary shares of £1 each	£ 1,000,000	£ 1,000,000
	=====	=====
Allotted, called up and fully paid:		
371,191 ordinary shares of £1 each	£ 371,191	£ 371,191
	=====	=====

**9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<u>2001</u>	<u>2000</u>
Profit on ordinary activities after taxation	-	90,340
Dividend	-	(90,340)
	-----	-----
Net increase in shareholders' funds	-	-
Opening shareholders' funds	371,191	100
Issue of shares	-	371,091
	-----	-----
Closing shareholders' funds	£ 371,191	£ 371,191
	=====	=====

**10 ULTIMATE PARENT COMPANY**

The directors regard Eleco plc, a company registered in England and Wales, as the ultimate controlling parent undertaking. Copies of the ultimate controlling parent's consolidated financial statements may be obtained from the Company Secretary, Eleco plc, Eleco House, 15 Gentlemen's Field, Westmill Road, Ware, Herts SG12 0EF.

According to the register kept by the company, Eleco plc, a company incorporated in England and Wales, has a 100% interest in the equity capital of the company at 30th June 2001.