

# **ELECO BUILDING PRODUCTS LIMITED**

Registered Number: 02734227

## **ACCOUNTS**

**for the year ended 30TH JUNE 2000**

## **I N D E X**

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2	Statement of directors' responsibilities
3	Report of the auditors
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**ELECO BUILDING PRODUCTS LIMITED****DIRECTORS' REPORT**

The Directors submit their report and accounts for the year ended 30th June 2000.

**RESULTS AND DIVIDEND**

The profit for the financial year was £90,340, and during the year an interim dividend of £41,779 was paid. The Directors recommend a final dividend of £48,561, leaving nil retained profit for the year.

**REVIEW OF THE BUSINESS**

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

With effect on 31st December 1999, the company acquired the entire issued capital of Eleco Bauprodukte GmbH from Eleco plc, the ultimate parent company of the Group.

**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 30.6.2000	At 1.7.1999 or on appointment	At 30.6.2000	New options granted	Options exercised	At 1.7.1999 or on appointment
N J A Tsappis (appointed 7 September 1999)	10,000	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 30.6.2000		Awarded during year	At 1.7.1999 or on appointment	Vesting Date
N J A Tsappis (appointed 7 September 1999)	25,000	25,000		Nil	1 November 2002

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.

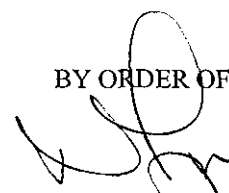
**AUDITORS**

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

Belcon House  
Essex Road  
Hoddesdon  
Herts EN11 0DR

6th October 2000

BY ORDER OF THE BOARD

  
N. J. A. Tsappis  
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.

**REPORT OF THE AUDITORS TO THE MEMBERS OF**  
**ELECO BUILDING PRODUCTS LIMITED**

We have audited the financial statements on pages 4 to 7.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the Annual Report. As described on page 2, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

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 United Kingdom Companies Act. 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.

**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 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
PricewaterhouseCoopers

Chartered Accountants and Registered Auditors  
Cambridge 6 October 2000

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

	NOTES	2000	1999
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.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the financial year as stated above, and their historical cost equivalents.

**ELECO BUILDING PRODUCTS LIMITED****BALANCE SHEET as at 30TH JUNE****2000****1999****NOTES****FIXED ASSETS**

Investments:

Shares in related companies

5

371,091

-

371,091

-

**CURRENT ASSETS**

Debtors

6

48,661

100

48,661

100

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

7

(48,561)

-

**NET CURRENT ASSETS**

100

100

**TOTAL ASSETS LESS CURRENT  
LIABILITIES**

371,191

100

**NET ASSETS**

£ 371,191

£ 100

**CAPITAL AND RESERVES**

Called up share capital

8

371,191

100

Profit and loss account

-

-

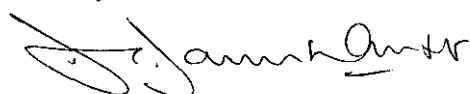
**EQUITY SHAREHOLDERS' FUNDS**

9

£ 371,191

£ 100

The financial statements on pages 4 to 7 were approved by the board of directors on 6th October 2000, and signed on its behalf by:



D. S. DANNHAUSER - DIRECTOR

**ELECO BUILDING PRODUCTS LIMITED****NOTES TO THE ACCOUNTS for the year ended 30th June 2000****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.

FRS15 - Tangible fixed assets

FRS16 - Current taxation

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 (1999: Nil).

**3 TAX ON PROFIT ON ORDINARY ACTIVITIES**

Corporation tax at 30.00% (1999: - 30.75%) on the result for the year comprises:-

	<u>2000</u>	<u>1999</u>
Payable	£ -	£ -
	=====	=====

**4 DIVIDENDS**

	<u>2000</u>	<u>1999</u>
Ordinary:		
Interim paid of £ 0.11 (1999: £ Nil) per share	41,779	-
Final proposed of £ 0.13 (1999: £ Nil) per share	48,561	-
	-----	-----
	£ 90,340	£ -
	=====	=====

**ELECO BUILDING PRODUCTS LIMITED****NOTES TO THE ACCOUNTS (continued) for the year ended 30th June 2000****5 SHARES IN RELATED COMPANIES**

	<u>2000</u>	<u>1999</u>
Investment in subsidiary undertakings:		
Eleco Bauprodukte GmbH - (100%)	£ 371,091	£ -

Eleco Bauprodukte GmbH is a trading company incorporated in Germany.

**6 DEBTORS**

	<u>2000</u>	<u>1999</u>
Due within one year:		
Amount owed by parent undertaking	100	100
Dividends receivable	48,561	-
	-----	-----
	£ 48,661	£ 100
	=====	=====

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

	<u>2000</u>	<u>1999</u>
Dividends payable	£ 48,561	£ -
	=====	=====

**8 CALLED UP SHARE CAPITAL**

	<u>2000</u>	<u>1999</u>
Authorised:		
1,000,000 (1999: 10,000) ordinary shares of £1 each	£ 1,000,000	£ 10,000
	=====	=====
Allotted, called up and fully paid:		
371,191 (1999: 100) ordinary shares of £1 each	£ 371,191	£ 100
	=====	=====

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

	<u>2000</u>	<u>1999</u>
Profit on ordinary activities after taxation	90,340	-
Dividend	(90,340)	-
	-----	-----
Net increase in shareholders' funds	-	-
Opening shareholders' funds	100	100
Issue of shares	371,091	-
	-----	-----
Closing shareholders' funds	£ 371,191	£ 100
	=====	=====

**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, Belcon House, Essex Road, Hoddesdon, Herts EN11 0DR.

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 2000.