

GATRING LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR 1 SEPTEMBER 2000

TO 31 AUGUST 2001

COMPANY NUMBER : 2800150

REARDON & CO LIMITED
Chartered Accountants
Cambridge



GATRING LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the period 1 September 2000 to 31 August 2001.

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 and loss of the company for that year. 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.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of the provision of management and financial support services.

DIRECTORS AND THEIR INTERESTS

The following have served as a directors of the company during the period, and their interest and that of their family in the ordinary shares of the company was:

	2001 & 2000	
	A Ordinary	B Ordinary
E P McElligott	2666	-
J E McElligott	-	2666


GATRING LIMITED

REPORT OF THE DIRECTORS continued

SMALL COMPANIES

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

SIGNED ON BEHALF OF THE BOARD


J E McElligott
Secretary

Fancy House
Finchingfield
Braintree
ESSEX CM7 4HZ

Approved by the Board on 14 January 2002

GATRING LIMITED

ACCOUNTING POLICIES

The principal accounting policies are:

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

CASH FLOW STATEMENT

The financial statements do not include a cash flow statement as the company, being a small reporting entity, is exempt from the requirement to prepare such a statement as required by the Financial Reporting Standard 1 'Cash flow Statements'.

TAXATION

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation is accounted for on the liability method and includes amounts set aside for timing differences and the equalisation of capital allowances in respect of fixed assets to the extent that it is probable that a liability will crystallise.

TURNOVER

Turnover represents the total value of services and supplies made during the period excluding value added tax.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation. Individual items of a capital nature with a cost of less than £250 are expensed directly to income.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of fixed assets over the useful economic life to the business at the rate of 25% of their cost per annum.

GATRING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD 1 SEPTEMBER 2000
TO 31 AUGUST 2001

	2001 £	2000 £
TURNOVER	115,233	131,406
Cost of Sales	14,609	23,757
	-----	-----
GROSS PROFIT	100,624	107,649
Administrative expenses	34,134	36,311
	-----	-----
OPERATING PROFIT	66,490	71,338
Other operating income	5,078	4,127
Income from investments	6,340	6,340
	-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (Note 1)	77,908	81,805
Taxation	14,996	15,351
	-----	-----
PROFIT ON ORDINARY ACTIVITY AFTER TAXATION	62,912	66,454
Dividends paid in the year	39,600	34,000
	-----	-----
RETAINED PROFIT FOR THE YEAR	23,312	32,454
RETAINED PROFIT AT 1 SEPTEMBER 2000	123,266	90,812
	-----	-----
RETAINED PROFIT 31 AUGUST 2001	£146,578	£123,266
	=====	=====

CONTINUING OPERATIONS

None of the activities were acquired or discontinued during the above financial period.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit or loss for the above financial period.

GATRING LIMITED

BALANCE SHEET AT 31 AUGUST 2001

	2001	2000
FIXED ASSETS	£	£
Tangible fixed assets (Note 2)	217	708
Investments (Note 3)	96,275	96,275
	-----	-----
	96,492	96,983
CURRENT ASSETS		
Debtors (Note 4)	34,482	27,804
Cash at bank	134,015	117,361
	-----	-----
	168,497	145,165
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (Note 5)	22,134	22,605
	-----	-----
NET CURRENT ASSETS	146,363	122,560
	-----	-----
NET ASSETS	£242,855	£219,543
	=====	=====
CAPITAL AND RESERVES		
Called up share capital (Note 6)	5,332	5,332
Share premium account	90,945	90,945
Profit and loss account	146,578	123,266
	-----	-----
Shareholders' funds (Note 7)	£242,855	£219,543
	=====	=====

In approving these financial statements as director of the company I hereby confirm:

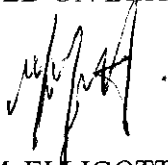
- (a) that for the period ended 31 August 2001 the company was entitled to the exemption conferred by section 249A(1) of the Companies Act 1985
- (b) that no notice has been deposited at the registered office of the company pursuant to section 249B(B) requesting that an audit be conducted for the period ended 31 August 2001
- (c) that I acknowledge my responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with section 221, and
 - (ii) preparing financial statements which give a true and fair view of the state of the affairs of the company as at 31 August 2001 and of the company's profit for the period then ended and which otherwise comply with the provisions of the Companies Act relating to the financial statements so far as applicable to the company.

GATRING LIMITED

BALANCE SHEET AT 31 AUGUST 2001 continued

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

SIGNED ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'E P McELLIGOTT', with a small dot at the end.

E P McELLIGOTT
Director

APPROVED BY THE BOARD ON 14 JANUARY 2002

GATRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS 2001

	2001 £	2000 £
1. OPERATING PROFIT		
The profit on ordinary activities before taxation is stated after charging:		
Director's remuneration	20,233	21,486
2. TANGIBLE FIXED ASSETS		
COST		Office Equipment £
At 1 September 2000	1,964	1,020
Additions	-	944
	-----	-----
At 31 August 2001	1,964	1,964
	=====	=====
DEPRECIATION		
At 1 September 2000	1,256	765
Charge for the year	491	491
	-----	-----
At 31 August 2001	1,747	1,256
	=====	=====
NET BOOK AMOUNT		
AT 31 AUGUST 2001	£217	£708
	=====	=====
AT 31 AUGUST 2000	£708	£255
	=====	=====
3. INVESTMENTS	2001 £	2000 £
Specialist Insulation Supplies Limited		
2664 £1 ordinary fully paid shares representing		
24% of the issued share capital at cost	£96,275	£96,275
	=====	=====

GATRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS 2001

3. INVESTMENTS (Continued)

The total shareholders' funds of Specialist Insulation Supplies Limited at the end of its financial year 31 December 2000 were as follows:

	2001
Issued share capital	11,100
Revaluation reserve	20,973
Profit and loss account	358,661

	£390,734
	=====

During the financial year ended 31 December 2000 Specialist Insulation Supplies Limited reported a profit after taxation of £87,692.

4. DEBTORS

	2001 £	2000 £
Amounts falling due within one year:		
Trade debtors	9,482	27,804
Accrued income	25,000	-
	-----	-----
	£34,482	£27,804
	=====	=====

5. CREDITORS

	2001 £	2000 £
Amounts falling due within one year:		
Trade creditors	2,370	2,794
Taxation and social security	4,322	4,066
Corporation tax	15,020	15,373
Accruals	422	372
	-----	-----
	£22,134	£22,605
	=====	=====

GATRING LIMITED

NOTES TO THE FINANCIAL STATEMENTS 2001

6. CALLED UP SHARE CAPITAL

	2001 £	2000 £
Authorised		
20000 ordinary shares of £1 each	£20,000	£20,000
Allotted and issued		
2666 'A' ordinary shares of £1 each	2,666	2,666
2666 'B' ordinary shares of £1 each	2,666	2,666
	-----	-----
	£5,332	£5,332
	=====	=====

7. RECONCILIATION OF SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit for the period	62,912	66,454
Dividends paid	(39,600)	(34,000)
Opening shareholders' funds at 1 September 2000	219,543	187,089
	-----	-----
Closing shareholders' funds at 31 August 2001	£242,855	£219,543
	=====	=====

8. TRANSACTIONS WITH THE DIRECTORS

The company provided management services to Specialist Insulation Supplies Limited totalling £91,105 (2000: £99,269) and supplied insulation materials totalling £15,464 (2000: £25,319) in the year. Mr E P McElligott is also a director of that company. Services were supplied on normal commercial terms.

9. CONTROL

The company is under the control of E P McElligott, director and shareholder.