

HETAS LIMITED

Company no. 2117828

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1996



HETAS LIMITED

YEAR ENDED 31ST MARCH 1996

DIRECTORS

Mr C.R Sully - Chairman
Mr J.M Lake - Company secretary
Mr B.M Ashall
Prof W.G Kaye
Dr A.G.C Lane
Mr V.H Hale
Mr W.F Clarke
Mr M.R Lingel
~~Mr P.H Clarke Retired 6th June 1995~~
Mr M.E Crowther
Mr N.S White
Mr R.C Robertson

REPORTING ACCOUNTANTS

Wickham, Hunt and Co,
Venture House,
Fifth Avenue,
Letchworth,
Herts, SG4 2HW

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HETAS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST MARCH 1996

The directors have pleasure in presenting their annual report and financial statements for the year ended 31st March 1996.

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 these 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 also have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Business activities

The company's principal activity during the year has been the approval scheme in respect of solid mineral fuel burning appliances, wood burning and multi fuel appliances, solid mineral fuels and firelighters, factory made chimneys, cast-in-situ concrete chimney lining systems, and safety equipment. The company has also been involved with the supervision of the National Association of Chimney Sweeps scheme examination, the association of Approved Coal Merchants star grading scheme, the solid Fuel Association's Registered Heating Engineer's scheme and safety training in conjunction with RoSPA. The company is also representing the interests of the industry in Europe as well as the UK.

The company continues to seek new areas of activity in the field of solid fuel heating.

HETAS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST MARCH 1996

Directors

The directors during the year under review, none of whom were interested in the company's shares during the year, were:

Mr C.R Sully - Chairman
Mr J.M Lake - Company secretary
Mr B.M Ashall
Prof W.G Kaye
Dr A.G.C Lane
Mr V.H Hale
Mr W.F Clarke
Mr M.R Lingel
Dr P.H Clarke - Retired 6th June 1995
Mr M.E Crowther
Mr N.S White
Mr R.C Robertson

In preparing this report, the directors have taken advantage of the special exemptions applicable to small companies.

Signed on behalf of the board

X  X

Mr J.M Lake

Date: 22nd July 1996

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE UNAUDITED FINANCIAL STATEMENTS OF HETAS LIMITED

We report on the financial statements for the year ended 31st March 1996 set out on pages 4 to 7.

Respective responsibilities of directors and reporting accountants

As described on the balance sheet the company's directors are responsible for the preparation of the financial statements and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

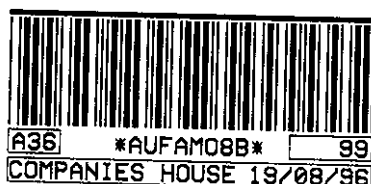
Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

1. the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
2. having regard only to, and on the basis of, the information contained in those accounting records, the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
3. having regard only to, and on the basis of, the information contained in those accounting records, the company satisfied the conditions for exemption from an audit of the financial statements for the year as specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

22nd July 1996
Venture House,
Fifth Avenue, Letchworth,



Wickham
WICKHAM, HUNT & CO
Chartered Accountants

HETAS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED
31ST MARCH 1996

	Notes	1996	1995
		£	£
TURNOVER	2	144,919	153,419
Cost of sales		(85,024)	(89,383)
GROSS PROFIT		59,895	64,036
Net operating expenses	3	(58,199)	(61,063)
OPERATING PROFIT		1,696	2,973
Other interest receivable and similar income		<u>107</u>	<u>1,482</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,803	4,455
Tax on profit on ordinary activities	4	<u>(103)</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>1,700</u>	<u>4,455</u>

The company has neither acquired or commenced any new business activities in the year nor discontinued any operations and it has no recognised gains or losses other than the profit for the year.

HETAS LIMITED

BALANCE SHEET

31ST MARCH 1996

	Notes	1996 £	1995 £
CURRENT ASSETS			
Debtors	5	40,021	22,984
Cash at bank and in hand		<u>30,555</u>	<u>60,943</u>
		70,576	83,927
CREDITORS: Amounts falling due within one year	6	<u>(70,674)</u>	<u>(85,725)</u>
NET CURRENT LIABILITIES		<u>(98)</u>	<u>(1,798)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(98)</u>	<u>(1,798)</u>
CAPITAL AND RESERVES			
Profit and loss account	7	<u>(98)</u>	<u>(1,798)</u>
		<u>(98)</u>	<u>(1,798)</u>

Statement by the directors

In our opinion, for the year to 31st March 1996 the company was entitled to exemption under subsection (2) of section 249A of the Companies Act 1985 and we declare that no notice has been deposited under subsection (2) of section 249B. We acknowledge our responsibilities for :-

- a) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- b) for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

In preparing these financial statements, we have taken advantage of the special exemptions applicable to small companies and we do so on the grounds that this company is entitled to the benefit of those special exemptions as a small company.

Approved by the board on: 22nd July 1996


 Director
 Mr J.M Lake

The notes set out on pages 6 to 7 form part of these financial statements

HETAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1996

1 ACCOUNTING POLICIES

(a) Basis of accounting

These financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

(b) Deferred Taxation

Deferred taxation is provided on the liability method on all material timing differences to the extent that the liability will crystallise in the foreseeable future. Provisions are calculated using the rate at which it is estimated tax will be paid when the timing differences reverse.

(c) Debtors

Known bad debts are written off and provision is made for any considered to be doubtful.

2 TURNOVER

Turnover is the total amount, excluding value added tax, receivable by the company in the ordinary course of business for goods supplied and for services provided as a principal.

3 ANALYSIS OF NET OPERATING EXPENSES

	1996 £	1995 £
Net operating expenses consists of:		
Administrative expenses	103,199	121,063
Other operating income	<u>(45,000)</u>	<u>(60,000)</u>
	<u>58,199</u>	<u>61,063</u>

4 TAXATION

	1996 £	1995 £
UK corporation tax at 25% on the profit adjusted for tax purposes	<u>103</u> <u>103</u>	<u>-</u> <u>-</u>

The company is a "close" company within the provisions of the Income and Corporation Taxes Act 1988.

5 DEBTORS

	1996 £	1995 £
Trade debtors	33,157	11,724
Other debtors and prepayments	<u>6,864</u> <u>40,021</u>	<u>11,260</u> <u>22,984</u>

HETAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1996

6	CREDITORS: Amounts falling due within one year	1996	1995
		£	£
	Trade creditors	56,525	76,233
	Other creditors	<u>14,149</u>	<u>9,492</u>
		<u>70,674</u>	<u>85,725</u>
7	PROFIT AND LOSS ACCOUNT		
		£	
	At 1st April 1995	(1,798)	
	Profit for the year (page 4)	<u>1,700</u>	
	At 31st March 1996	<u>(98)</u>	
8	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
		1996	1995
		£	£
	Profit for the financial year	1,700	4,455
	Dividends	<u>-</u>	<u>-</u>
	Net addition to shareholders' funds	1,700	4,455
	Opening shareholders' funds	<u>(1,798)</u>	<u>(6,253)</u>
	Closing shareholders' funds	<u>(98)</u>	<u>(1,798)</u>

9 RELATED PARTY TRANSACTION

During the year payments of £19,116 were made to Kaye and Associates Limited, of which W.G Kaye is a director and principal shareholder. Of this total £16,088.00 relates to professional services and £3,028.00 to nett expenses, £933.00 having been recovered from the DTI Assisted Travel Scheme.

10 SHARE CAPITAL

The company is limited by guarantee and therefore has no share capital.