

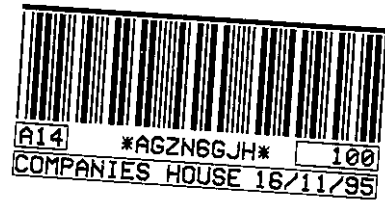
2117828

REPORT AND ACCOUNTS

HETAS Limited

31 MARCH 1995

 ERNST & YOUNG



HETAS Limited

Registered No. 2117828

DIRECTORS

Mr C R Sully (Chairman)
Mr R C Robertson
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
Mr N S White
Mr M E Crowther
Mr J M Lake

SECRETARY

Mr J M Lake

AUDITORS

Ernst & Young
Southgate House
Wood Street
Cardiff

BANKERS

National Westminster Bank PLC
41 Lothbury
London

REGISTERED OFFICE

Hobart House
Grosvenor Place
London

The directors submit their report and accounts for the year ended 31 March 1995.

RESULTS AND DIVIDENDS

The trading profit for the year ended 31 March 1995 after taxation amounted to £4,455 (1994: loss £2,643).

REVIEW OF BUSINESS

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 and the Solid Fuel Association's Registered Heating Engineer's scheme. 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.

FIXED ASSETS

The company has no fixed assets.

DIRECTORS

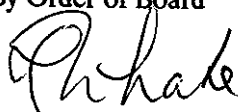
The directors during the year were as follows:

Mr C R Sully (Chairman)	- Appointed 19 December 1994
Mr R C Robertson	
Mr J K Shaw	- Retired 14 December 1994
Mr B M Ashall	
Prof W G Kaye	
Dr A G C Lane	
Mr V H Hale	
Mr S G Dawes	- Retired 7 September 1994
Mr W F Clarke	
Mr M R Lingel	
Mr J S Broadbent	- Retired 14 December 1994
Mr D W Taylor	- Retired 7 September 1994
Dr P H Clarke	
Mr W A Dunn	- Retired 24 December 1994
Mr M E Crowther	- Appointed 7 September 1994
Mr N S White	- Appointed 7 September 1994
Mr J M Lake	- Appointed 14 December 1994

AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By Order of Board



Secretary

STATEMENT OF DIRECTOR'S RESPONSIBILITIES
in respect of the accounts

Company law requires the director to prepare accounts 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 accounts, the director is 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 accounts;
- prepare the accounts 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 accounts comply with the Companies Act. 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 HETAS Limited

We have audited the accounts on pages 6 to 9 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts, and to report our opinion to you.

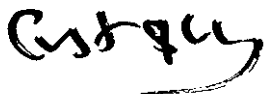
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 March 1995 and of the profit of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants
Registered Auditor
Cardiff

30 August 1995

HETAS Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 March 1995

	<i>Notes</i>	<i>1995</i> £	<i>1994</i> £
TURNOVER	3	153,419	82,809
Operating costs		210,446	179,509
OPERATING LOSS		(57,027)	(96,700)
Other income		61,482	93,978
Interest receivable		4,455	(2,722)
		-	79
PROFIT/(LOSS) FOR THE YEAR BEFORE TAXATION		4,455	(2,643)
Taxation	5	-	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		4,455	(2,643)

STATEMENT OF MOVEMENT ON RESERVES

	<i>Profit and loss account</i> £
At 1 April 1994	(6,253)
Retained profit for the year	4,455
At 31 March 1995	(1,798)


There are no recognised gains or losses other than the profit attributable to the company of £4,455 in the year ended 31 March 1995 (1994: loss £2,643).

HETAS Limited

BALANCE SHEET

at 31 March 1995

	Notes	1995 £	1994 £
CURRENT ASSETS			
Debtors	6	22,984	18,385
Cash at bank and in hand		60,943	10,377
		<u>83,927</u>	<u>28,762</u>
CREDITORS - amounts falling due within one year	7	85,725	35,015
TOTAL ASSETS LESS LIABILITIES		<u>£(1,798)</u>	<u>£(6,253)</u>
 RESERVES			
Profit and loss account		<u>£(1,798)</u>	<u>£(6,253)</u>

 Director
30/8/95. Date

NOTES TO THE ACCOUNTS

at 31 March 1995

1 FUNDAMENTAL ACCOUNTING CONCEPT

The accounts, which disclose an excess of liabilities over assets, have been prepared on a going concern basis as the directors have taken steps to ensure that sufficient funds will be made available for the company to meet its liabilities as they fall due.

2 ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

3 TURNOVER

Turnover represents amounts, exclusive of VAT, arising from the provision of approval testwork for domestic solid fuel appliances and sale of lists and is all in respect of continuing activities.

4 DIRECTORS' REMUNERATION

The directors, including the Chairman who served during the year, received no emoluments or fees in respect of these services.

5 TAXATION

The company has tax losses available to carry forward to offset against future profits of the same trade.

6 DEBTORS

	1995 £	1994 £
Trade Debtors	11,724	16,935
Other Debtors	11,260	1,450
	<u>22,984</u>	<u>18,385</u>

7 CREDITORS

	1995 £	1994 £
Trade creditors	76,233	22,446
Accruals and Deferred Income	9,492	12,569
	<u>85,725</u>	<u>35,015</u>

HETAS Limited

NOTES TO THE ACCOUNTS

at 31 March 1995

8 SHARE CAPITAL

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

9 RELATED PARTY TRANSACTION

During the year payments of £25,262 were made to Kaye and Associates Limited, of which W G Kaye is a director and principal shareholder. Of this total, £22,213 relates to professional services and £3,049 to expenses of which £756 has been recovered from the DTI Assisted Travel Scheme.