

Registered Number: 2182306

DESIGNPLAN INTERNATIONAL LIMITED

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2000



DESIGNPLAN INTERNATIONAL LIMITED

DIRECTORS' REPORT

31 December 2000

The directors present their report and the audited financial statements for the year ended 31 December 2000.

Principal activity

The principal activity is the export sales of lighting equipment.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

| | 31 December 2000 | 31 December 1999 |
|---------------|------------------|------------------|
| M J Biancardi | 35 | 35 |
| D A Cumper | - | - |
| M J Cumper | - | - |

The directors' interests in the shares of the ultimate holding company, Designplan Lighting Limited, were as follows:-

| | 31 December 2000 | 31 December 1999 |
|------------|----------------------------|------------------|
| | Ordinary shares of £1 each | |
| D A Cumper | 179,850 | 179,850 |
| M J Cumper | 179,850 | 179,850 |

The above directors also have a beneficial interest in Designplan Pension Fund (formerly Designplan Lighting Retirement Benefit Scheme) which holds 34,800 shares (1999 34,800 shares) in the ultimate holding company.

Auditors

HLB Kidsons have agreed to offer themselves for re-election as auditors of the company.

Small companies exemptions

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

By order of the board

M J Cumper

Secretary

Wealdstone Road
Kimpton Industrial Estate
Sutton
Surrey
SM3 9RW

21 August 2001

DESIGNPLAN INTERNATIONAL LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss for that period.

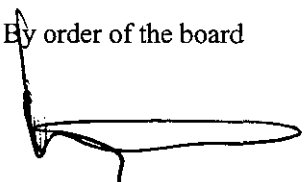
In preparing these financial statements we are required to:

- Select suitable accounting policies and apply them consistently;
- Make reasonable and prudent judgements and estimates;
- State whether accounting standards have been followed and give details of any departures;
- Prepare the financial statements on a going concern basis unless in our view the company will be unable to continue in business.

We are also responsible for:

- Keeping proper accounting records;
- Safeguarding the company's assets;
- Taking reasonable steps for the prevention and detection of fraud.

By order of the board



M J Cumper

Secretary

21 August 2001

DESIGNPLAN INTERNATIONAL LIMITED

AUDITORS' REPORT

Auditors report to the shareholders of Designplan International Limited

We have audited the financial statements on pages 4 to 9 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

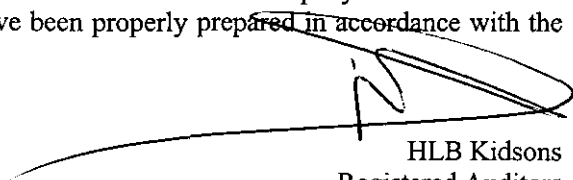
Basis of opinion

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 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 as at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



HLB Kidsons
Registered Auditors
Chartered Accountants

Horsham

21 August 2001

DESIGNPLAN INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2000

| | Note | 2000 £ | 1999 £ |
|--|------|-----------------------|-----------------------|
| Turnover | 2 | 1,391,017 | 1,191,801 |
| Cost of sales | | (1,099,391) | (938,817) |
| Gross profit | | <u>291,626</u> | <u>252,984</u> |
| Distribution costs | | (31,417) | (29,531) |
| Administrative expenses | | (234,171) | (296,552) |
| Other operating income | | 96,155 | 74,917 |
| Exchange profits on trading and monetary assets | | 8,595 | 79,187 |
| Provision against balances due from subsidiary | | <u>151,222</u> | <u>311,209</u> |
| Operating profit | | <u>282,010</u> | <u>392,214</u> |
| Bank interest received | | 872 | 1,005 |
| Interest payable | 4 | <u>(12,323)</u> | <u>(4,905)</u> |
| Profit on ordinary activities before taxation | | <u>270,559</u> | <u>388,314</u> |
| Tax on ordinary activities | | <u>(78,564)</u> | <u>(105,463)</u> |
| Profit for the financial year | 10 | <u><u>191,995</u></u> | <u><u>282,851</u></u> |

DESIGNPLAN INTERNATIONAL LIMITED

BALANCE SHEET

at 31 December 2000

| | Note | £ | 2000 | £ | £ | 1999 | £ |
|--|------|---------|-----------|---------|---|-----------|---------|
| Fixed assets | | | | | | | |
| Investments | 5 | | | 140 | | | 140 |
| Current assets | | | | | | | |
| Stocks | | | - | | | 3,236 | |
| Debtors: amounts falling due within one year | 6 | 800,741 | | | | 999,543 | |
| Debtors: amounts falling due after one year | 6 | 243,827 | | | | 213,818 | |
| Cash at bank and in hand | | 165,967 | | | | 100,361 | |
| | | | 1,210,535 | | | 1,316,958 | |
| Creditors: amounts falling due within one year | 7 | 798,746 | | | | 1,047,164 | |
| Net current assets | | | | 411,789 | | | 269,794 |
| Total assets less current liabilities | | | | 411,929 | | | 269,934 |
| Creditors: amounts falling due after more than one year | 8 | | | - | | | 50,000 |
| | | | | 411,929 | | | 219,934 |
| Capital and reserves (equity) | | | | | | | |
| Share capital | 9 | | | 2 | | | 2 |
| Profit and loss account | 10 | | | 411,927 | | | 219,932 |
| Shareholders' funds | 11 | | | 411,929 | | | 219,934 |

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

The financial statements on pages 4 to 9 were approved by the board of directors on 21 August 2001.

D A Cumper - Director

DESIGNPLAN INTERNATIONAL LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2000

1 Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention in accordance with FRSSE (effective March 2000). The company relies on the continuing support of its parent company, Designplan Lighting Limited.

Consolidation

The company has taken advantage of the exemption from preparing consolidated accounts available in section 228 of the Companies Act 1985 for parent companies included in the financial statements of a larger group. These financial statements show the results and position of Designplan International Limited only.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date.

Deferred taxation

Deferred taxation is provided in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Cash flow

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No 1 on the grounds that it is entitled to the exemptions available in sections 246 to 247 of the Companies Act 1985 for small companies.

2 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities, stated net of value added tax.

Turnover is attributed to the following markets

| | 2000 % | 1999 % |
|-------------------|------------|------------|
| Europe | 34 | 31 |
| North America | 20 | 27 |
| Far East | 43 | 27 |
| Rest of the World | 3 | 15 |
| | <u>100</u> | <u>100</u> |

All the company's activities during the year are classed as continuing. There were no acquisitions during the year.

DESIGNPLAN INTERNATIONAL LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2000

(continued)

| | | | |
|----------|---|---------------|--------------|
| 3 | Operating profit | 2000 | 1999 |
| | | £ | £ |
| | Operating profit is stated after charging | | |
| | Auditors remuneration | 2,500 | 2,500 |
| | Directors' emoluments | 183,495 | 178,497 |
| 4 | Interest payable | | |
| | Bank interest | 11,423 | 3,942 |
| | Other interest | 900 | 963 |
| | | <u>12,323</u> | <u>4,905</u> |
| 5 | Fixed asset investments | | |
| | Cost of shares in subsidiary undertakings | | |
| | 1 January 2000 and 31 December 2000 | <u>140</u> | <u>140</u> |

The company holds more than 10% of the equity share capital of the following

| Name of undertaking | Country of incorporation | Class of share | Proportion held | Nature of business |
|----------------------------------|--------------------------|----------------|-----------------|--|
| Designplan Lighting Incorporated | USA | Ordinary | 75.0% | Design and manufacture of lighting equipment |
| FP Realty Incorporated | USA | Ordinary | 66.7% | Property company |
| | | | | 2000 |
| | | | | £ |
| | | | | 1999 |
| | | | | £ |

| | | | |
|----------|--|------------------|------------------|
| 6 | Debtors | | |
| | Amounts falling due within one year | | |
| | Trade debtors | 22,458 | 193,505 |
| | Amounts due from subsidiary undertaking | 777,154 | 777,448 |
| | Other debtors | - | 27,142 |
| | Prepayments and accrued income | 1,129 | 1,448 |
| | | <u>800,741</u> | <u>999,543</u> |
| | Amounts falling due after more than one year | | |
| | Amounts due from subsidiary undertaking | 243,827 | 213,818 |
| | | <u>1,044,568</u> | <u>1,213,361</u> |

DESIGNPLAN INTERNATIONAL LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2000

(continued)

| | | 2000 | 1999 |
|-----------|--|------------------|------------------|
| | | £ | £ |
| 7 | Creditors: amounts falling due within one year | | |
| | Bank loans and overdrafts | 137,459 | 112,734 |
| | Trade creditors | 1,370 | 18,233 |
| | Amounts owed to parent company | 465,725 | 632,427 |
| | Corporation tax | 47,300 | 105,500 |
| | Other creditors | 146,892 | 178,270 |
| | | <u>798,746</u> | <u>1,047,164</u> |
| 8 | Creditors: amounts falling due after more than one year | | |
| | Amounts owed to parent company | - | 50,000 |
| | | <u>-</u> | <u>50,000</u> |
| 9 | Share capital | | |
| | | 2000 | 1999 |
| | | | |
| | | Number of | Number of |
| | | shares | shares |
| | | £ | £ |
| | Authorised | | |
| | 100,000 ordinary shares of 1p each | 100,000 | 100,000 |
| | | <u>1,000</u> | <u>1,000</u> |
| | Allotted, called up and fully paid | | |
| | 200 ordinary shares of 1p each | 200 | 200 |
| | | <u>2</u> | <u>2</u> |
| 10 | Profit and loss account | | |
| | | 2000 | 1999 |
| | | £ | £ |
| | 1 January 2000 | 219,932 | (62,919) |
| | Profit for the financial year | 191,995 | 282,851 |
| | | <u>411,927</u> | <u>219,932</u> |
| | 31 December 2000 | | |
| 11 | Shareholders' funds | | |
| | Profit for the financial year | 191,995 | 282,851 |
| | Opening shareholders funds/(deficit) | 219,934 | (62,917) |
| | | <u>411,929</u> | <u>219,934</u> |
| | Closing shareholders funds | | |

DESIGNPLAN INTERNATIONAL LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 2000

(continued)

12 Guarantees and other financial commitments

The company has a cross guarantee with the following companies given to National Westminster Bank Plc against advances by the bank to these companies. The advances at 31 December 2000 totalled £835,315 (1999 £923,351).

Designplan Lighting Limited
Carvill Lighting Limited
Steelplan Kitchens Limited
Richmond Lighting Limited
Richmond Plastics Limited
Travel by Design (Chertsey) Limited
Designplan Management Services Limited

13 Related party transactions

Designplan Lighting Limited owns 82.5% of the share capital of Designplan International Limited (International) which owns 75% of the share capital of Designplan Lighting Inc (Inc) and 67% of FP Realty Inc. Designplan Lighting owns 100% of the share capital of Steelplan Kitchens Limited (Steelplan) and 55% of Carvill Lighting Limited (Carvill).

Richmond Lighting Limited (Richmond), Richmond Plastics Limited (Plastics), Travel by Design (Chertsey) Limited (Travel) and Designplan Management Services Limited (Management) are four companies that are under common control with Designplan International Limited.

During the year to 31 December 2000 the following transactions took place between them:-

- (i) International purchased goods for £812,281 (1999 £503,060) from Designplan. International reimbursed £74,768 (1999 £110,069) for wages and other expenses paid on their behalf. The balance due to Designplan at the year end was £465,725 (1999 £682,427).
- (ii) International sold goods for £473,889 (1999 £235,548) to Inc. The gross amount due from Inc at the year end was £1,225,280 (1999 £1,255,470). A provision of £204,299 (1999 £264,205) was made at the year end, £59,905 was credited (1999 £289,629 credited) to the profit and loss account together with the exchange credit of £91,317 (1999 £21,580 credit).
- (iii) International purchased goods for £58,996 (1999 £63,899) from Richmond. The amount due to Richmond at the year end was £nil (1999 £6,370).
- (iv) International purchased services for £9,882 (1999 £15,878) from Travel. The amount due to Travel at the year end was £nil (1999 £4,417).
- (v) International was charged for services £151,460 (1999 £138,680) by Management. The amount due to Management at the year end was £144,351 (1999 £138,680).

14 Holding company

The company's immediate and ultimate holding company is Designplan Lighting Limited, which is incorporated in England.