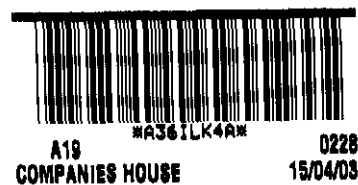


STERLING PRESERVATION LIMITED  
COMPANY NUMBER: 2192104  
REPORTS AND ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2002



WHITES  
Chartered Accountants  
9 The Crescent  
TAUNTON  
Somerset  
TA1 4EA

# STERLING PRESERVATION LIMITED

DIRECTORS	Mr R C Wyatt Mrs S A Wyatt
SECRETARY	Mrs S A Wyatt
REGISTERED OFFICE	9 The Crescent TAUNTON Somerset TA1 4EA

## REPORTS AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

	Page
Report of the Directors	1
Profit and Loss Account	2
Balance Sheet	3 - 4
Notes to the Accounts	5 - 9
The following pages do not form part of the statutory accounts:	
Detailed Trading and Profit and Loss Account	10 - 11
Accountant's Report	12

# STERLING PRESERVATION LIMITED

## REPORT OF THE DIRECTORS

The directors present their report together with the accounts of the company for the year ended 31 March 2002.

### PRINCIPAL ACTIVITY

The principal activity of the company is damp proofing and timber treatment.

### RESULTS

A summary of the results of the year's trading is given in the profit and loss account on page 2.

### DIRECTORS

The directors who held office throughout the year and their beneficial interest in the issued ordinary share capital were as follows:

	Ordinary Shares of £1 Each 31.3.02	Ordinary Shares of £1 Each 1.4.01
Mr R C Wyatt	50	50
Mrs S A Wyatt	50	50

### SPECIAL EXEMPTIONS

This report is prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies.

### BY ORDER OF THE BOARD

  
.....  
Mr R C Wyatt  
Director

07/04/03  
.....  
Date

**STERLING PRESERVATION LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2002**

	Note	2002 £	2001 £
<b>TURNOVER</b>	2	70,154	82,290
Cost of sales		35,049	44,093
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		35,105	38,197
Distribution costs		10,487	10,738
Administrative expenses		30,945	35,677
		<hr/>	<hr/>
<b>OPERATING LOSS</b>	3	(6,327)	(8,218)
Interest payable		1,320	1,183
		<hr/>	<hr/>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(7,647)	(9,401)
Taxation	5	-	-
		<hr/>	<hr/>
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(7,647)	(9,401)
Dividends paid		-	-
		<hr/>	<hr/>
<b>RETAINED LOSS FOR THE YEAR</b>		(7,647)	(9,401)
Retained loss as at 1 April 2001		(30,684)	(21,283)
		<hr/>	<hr/>
<b>ACCUMULATED LOSS AS AT 31 MARCH 2002</b>		(38,331)	(30,684)
		<hr/>	<hr/>

**STERLING PRESERVATION LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2002**

	Note	2002 £	2001 £
<b>FIXED ASSETS</b>			
Tangible assets	6	16,573	11,469
<b>CURRENT ASSETS</b>			
Stock		8,800	9,100
Debtors and payments	7	6,309	10,939
		<hr/>	<hr/>
		15,109	20,039
<b>CREDITORS: Amounts falling due within one year</b>	8	66,260	62,092
		<hr/>	<hr/>
		(51,151)	(42,053)
		<hr/>	<hr/>
<b>NET CURRENT LIABILITIES</b>		(34,578)	(30,584)
<b>CREDITORS: Amounts falling Due after more than one year</b>		(3,653)	-
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(38,231)	(30,584)
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	100	100
Profit and loss account		(38,331)	(30,684)
		<hr/>	<hr/>
<b>SHAREHOLDERS FUNDS</b>	10	(38,231)	(30,584)
		<hr/>	<hr/>

STERLING PRESERVATION LIMITED  
BALANCE SHEET AS AT 31 MARCH 2002  
(Continued)

The financial statements were approved by the Board of Directors on 7.4.03

For the year in question, the company was entitled to exemption from an audit under Section 249A(1) of the Companies Act 1985. No notice has been deposited under Section 249B(2) of the Act in relation to the accounts for the financial year. The directors acknowledge their responsibilities for:

- a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985; and
- b) preparing accounts 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 of the Companies Act 1985, and which otherwise comply with the requirements of that act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies (Section 246(8)) and the Financial Reporting Standard for Smaller Entities (effective June 2002).

  
.....  
Mr R C Wyatt  
Director

# STERLING PRESERVATION LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

### I ACCOUNTING POLICIES

#### a) Basis of Accounting

The accounts have been prepared in accordance with the historical cost convention.

#### b) Turnover

Turnover represents net invoiced sales excluding value added tax.

#### c) Depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer software	-	25% on reducing balance basis
Office equipment	-	15% on reducing balance basis
Plant and equipment	-	25% on reducing balance basis
Motor vehicles	-	25% on reducing balance basis

#### d) Stock

Stock and work in progress are valued at the lower of cost and net realisable value.

#### e) Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that in the opinion of the directors there is reasonable probability that the liability will not arise in the foreseeable future.

### 2 TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company which arose entirely within the United Kingdom.

STERLING PRESERVATION LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2002

(Continued)

	2002 £	2001 £
<b>3 OPERATING LOSS</b>		
The operating loss is stated after charging:		
Depreciation	4,869	3,103
Hire of plant and equipment	1,119	472
Directors' remuneration	12,870	20,205
	<hr/>	<hr/>
<b>4 STAFF COSTS</b>		
Directors' remuneration	12,870	20,205
Wages	23,159	27,659
Social security costs	2,054	3,762
	<hr/>	<hr/>
	38,083	51,626
	<hr/>	<hr/>
<b>5 TAXATION</b>		
Corporation tax	-	-
	<hr/>	<hr/>

STERLING PRESERVATION LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2002

(Continued)

6 TANGIBLE FIXED ASSETS

	Computer Software £	Office Equipment £	Plant and Machinery £	Motor Vehicles held under Hire Purchase Contracts £	Total £
<b>Cost</b>					
At 1 April 2001	3,232	13,864	15,204	8,589	40,889
Additions	2,225	323	-	7,425	9,973
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 March 2002</b>	<b>5,457</b>	<b>14,187</b>	<b>15,204</b>	<b>16,014</b>	<b>50,862</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>					
At 1 April 2001	1,550	9,267	12,731	5,872	29,420
Charge for year	977	738	618	2,536	4,869
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 March 2002</b>	<b>2,527</b>	<b>10,005</b>	<b>13,349</b>	<b>8,408</b>	<b>34,289</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net Book Values</b>					
<b>At 31 March 2002</b>	<b>2,930</b>	<b>4,182</b>	<b>1,855</b>	<b>7,606</b>	<b>16,573</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2001	1,682	4,597	2,473	2,717	11,469
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
				<b>2002 £</b>	<b>2001 £</b>

7 DEBTORS

Trade debtors	5,697	8,661
Other debtors	50	50
Prepayments	562	2,228
	<hr/>	<hr/>
	<b>6,309</b>	<b>10,939</b>
	<hr/>	<hr/>

STERLING PRESERVATION LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2002

(Continued)

	2002 £	2001 £
<b>8 CREDITORS: Amounts falling due within one year</b>		
Bank overdraft	19,242	16,121
Trade creditors	4,583	9,935
Social security and other taxes	7,462	7,357
Directors' current account	30,191	27,301
Other creditors and accruals	1,554	1,378
Hire purchase	3,228	-
	<u>66,260</u>	<u>62,092</u>
<b>9 CREDITORS: Amounts falling due after more than one year</b>		
Hire purchase	<u>3,653</u>	<u>-</u>
<b>10 CALLED UP SHARE CAPITAL</b>		
Authorised		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, Issued and Fully Paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

**STERLING PRESERVATION LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2002**

(Continued)

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

	Share Capital £	Profit and loss £	Total £
As at 1 April 2001	100	(30,684)	(30,584)
Loss for the year	-	(7,647)	(7,647)
	<hr/>	<hr/>	<hr/>
As at 31 March 2002	100	(38,331)	(38,231)
	<hr/>	<hr/>	<hr/>

**13 RELATED PARTIES**

Control of the company is exercised by the directors who between them own 100% of the issued share capital of the company.

**14 DEFERRED TAX**

	2002 £	Provided 2001 £	2002 £	Unprovided 2001 £
Capital allowances in advance of depreciation	-	-		631
Trading losses carried forward	-	-		(6,273)
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-		(5,642)
	<hr/>	<hr/>	<hr/>	<hr/>