

PJO (INDITHERM) LIMITED

Annual Report

For the Year Ended
December 2000



PJO (INDITHERM) LIMITED

COMPANY INFORMATION

Directors

**P J O'Grady
J O'Grady
B Holmes
C Tarry**

Secretary

A J Knapton

Company Number

3587944

Registered Office

**Commercial Road
Goldthorpe Industrial Estate
Goldthorpe
Rotherham
S63 9BL**

Bankers

**HSBC
Montgomery Road
Wath Upon Dearne
Rotherham
S63 7QW**

PJO (INDITHERM) LIMITED

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PJO (INDITHERM) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2000

The Directors present their Report together with the Accounts for the Year Ended 31st December 2000.

Principal Activities

The Company's principal activity continued to be that of the manufacture, sale, installation and licensing of specialised heating materials.

Directors

The Directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary Shares 31.12.2000	Ordinary Shares 31.12.1999
P J O'Grady	7,930	8,000
J O'Grady	889	889
B Holmes	-	-
C Tarry	555	555

Political and Charitable Contributions

The Company made no political or charitable contributions during the period.

PJO (INDITHERM) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2000

Directors Responsibilities

Company Law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of the company's affairs and of the profit or loss for that period. In preparing these accounts the directors are 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 financial statements.

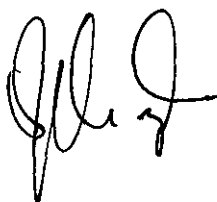
Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the accounts 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.

Small Company Exemptions

The report of the Directors' has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and was approved by the Board and signed on its behalf.

A J KNAPTON
Secretary



28.8.2001

PJO (INDITHERM) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2000

	Notes	2000 £	1999 £
CONTINUING OPERATIONS			
Turnover	2	161,005	34,602
Cost of Sales		169,561	54,480
Gross (Loss)		<u>(8,556)</u>	<u>(19,878)</u>
Administrative Expenses		155,580	136,088
Operating Loss	3	<u>(164,136)</u>	<u>(155,966)</u>
Interest Payable and Similar Charges		(11,132)	(1,255)
Loss on Ordinary Activities before Taxation		<u>(175,268)</u>	<u>(157,221)</u>
Tax on loss on ordinary activities	4	-	-
Loss for the Year	12	<u><u>(175,268)</u></u>	<u><u>(157,221)</u></u>

The notes referred to above form a part of these financial statements.

There were no acquisitions nor discontinued operations within the company during 2000 or 1999.

PJO (INDITHERM) LIMITED**BALANCE SHEET****FOR THE YEAR ENDED 31ST DECEMBER 2000**

	Notes	2000		1999	
		£	£	£	£
Fixed Assets					
Intangible Assets	5		264,426		125,009
Tangible Assets	6		<u>23,608</u>		<u>4,127</u>
			288,034		129,136
Current Assets					
Stocks	7	77,252		107,255	
Debtors	8	48,891		27,903	
Cash at Bank and in Hand		-		119	
		<u>126,143</u>		<u>135,277</u>	
Creditors:					
Amounts Falling Due Within One Year	9	<u>(247,225)</u>		<u>(134,193)</u>	
Net Current Assets / (Liabilities)			(121,082)		1,084
Total Assets Less Current Liabilities			<u>166,952</u>		<u>130,220</u>
Creditors:					
Amounts Falling Due After More Than 1 Year	10		<u>(75,000)</u>		<u>(280,000)</u>
			<u>91,952</u>		<u>(149,780)</u>
Capital and Reserves					
Share Capital	11		233,888		11,110
Share Premium Account	12		243,667		49,445
Profit and Loss Account	12		(385,603)		(210,335)
Shareholders Funds			<u>91,952</u>		<u>(149,780)</u>

The notes referred to above form part of these financial statements.

The Directors are of the opinion that the Company is entitled to exemption from Audit conferred by Sub Section 1 of Section 249A of the Companies Act 1985 for the year ended 31st December 2000.

The Directors confirm that no member or members have requested an audit pursuant to Sub Section 2 of Section 249B of the Companies Act 1985.

The Directors confirm that they are responsible for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,
- and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial period and of its results for the financial period in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

PJO (INDITHERM) LIMITED

BALANCE SHEET

FOR THE YEAR ENDED 31ST DECEMBER 2000

The Accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

These accounts were approved by the Board on *28th August 2001* and signed on its behalf.



P J O'GRADY
Director

PJO (INDITHERM) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

1. Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

The Company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal instalments over their expected useful lives. The rates and periods generally applicable are:

Plant and Machinery	
Furniture and Equipment	20%
Vehicles	20%
	20%

Research and Development

Expenditure on research and development is capitalised when the Directors are of the opinion that the outcome is achievable within twelve months and the result is expected to be commercially marketable. Costs so capitalised will be written off over a period of ten years from completion of development or less if the period of usage is expected to be shorter.

2. Turnover

The turnover was derived from the companys principal activity which was carried out wholly in the UK.

Turnover is attributable to the principal activity of the company.

3. Operating Loss

The Operating loss is arrived at after charging or crediting:

	2000	1999
	£	£
Depreciation	4,466	492
Amortisation of Intangible Fixed Assets	15,583	85,326
Pension Contributions	-	-
Auditors Remuneration	1,250	-
	<u> </u>	<u> </u>

4. Taxation

UK Corporation Tax

The company has taxation losses estimated at £360,000 which carried forward for relief against future trading profits.

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PJO (INDITHERM) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

	2000	1999
	£	£
5. Intangible Fixed Assets		
Research and Development		
Cost		
At 1st January 2000	225,575	155,832
Additions in Year	155,000	69,743
At 31st December 2000	380,575	225,575
Amortisation		
At 1st January 2000	100,566	15,240
Provided during the Year	15,583	85,326
At 31st December 2000	116,149	100,566
Net Book Values		
At 31st December 2000	264,426	125,009
6. Tangible Fixed Assets		
	Vehicles	Plant & Machinery
	£	£
Cost		
At 1st January 2000	-	4,924
Additions in Year	19,820	4,127
At 31st December 2000	19,820	9,051
Depreciation		
At 1st January 2000	-	797
Charge for the Year	2,642	1,824
At 31st December 2000	2,642	2,621
Net Book Value		
At 31st December 2000	17,178	6,430
At 31st December 1999	-	4,127
7. Stocks		
	2000	1999
	£	£
Goods for Resale	69,752	92,255
Work in Progress	7,500	15,000
	77,252	107,255
8. Debtors		
Trade Debtors	44,412	24,767
Other Debtors	4,479	3,136
	48,891	27,903

PJO (INDITHERM) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

9. Creditors: Amounts Falling Due Within One Year

	2000	1999
	£	£
Factoring Account	28,405	9,000
Bank Loans and Overdrafts	57,000	37,406
Trade Creditors	33,444	30,737
Other Creditors (including taxation)	122,376	57,050
Lease Obligations	6,000	-
	<u>247,225</u>	<u>134,193</u>

The bank overdraft is secured by a fixed and floating charge over all of the company's assets.

10. Creditors: Amounts Falling Due After One Year

	2000	1999
	£	£
Lease Obligations	7,500	-
Other Creditors	67,500	280,000
	<u>75,000</u>	<u>280,000</u>

The other creditors falling due after one year is an amount due to PJO Industrial Ltd, which is repayable before February 2002.

11. Share Capital

	2000	1999
	£	£
Authorised		
- Ordinary Share of £1 each	10,485	98,000
- 'A' Ordinary Shares of £1 each	3,403	2,000
- Preference Shares	220,000	-
	<u>233,888</u>	<u>100,000</u>
Allotted		
Ordinary Share of £1 each	10,485	10,555
A' Ordinary Shares of £1 each	3,403	555
Preference Shares	220,000	-
	<u>233,888</u>	<u>11,110</u>

PJO (INDITHERM) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

12. Reserves

	Share Premium Account £	Profit and Loss Account £
At 1st January 2000	49,445	(210,335)
Loss for the year	-	(175,268)
Premium on Allotment	194,222	-
At 31st December 2000	<u>243,667</u>	<u>(385,603)</u>

13. Reconciliation of Shareholders' Funds

	2000 £	1999 £
Loss for the financial year	(175,268)	(157,221)
Issue of Share Capital	417,000	50,555
Increase / (Decrease) in the shareholders' funds	<u>241,732</u>	<u>(106,666)</u>
Closing shareholders' funds	<u>91,952</u>	<u>(149,780)</u>

14. Related Parties

During the year various expenses and salary costs which totalled £84,000 (Period Ended 30th December £137,200) were charged in the normal course of business to the company from PJO Industrial Limited. The price charged was the normal market price in the case of each individual cost. At the Balance Sheet date, the amount due to PJO Industrial Limited was £119,650.

Mr P J O'Grady is a Director of PJO Industrial Limited and in the opinion of the directors is in control of both that company and PJO (Inditherm) Limited.