

Ablyn Ltd
Report of the Directors and
Financial Statements
for the Period 29 June 1998 to 30 June 1999

Barter Durgan
Chartered Accountants
and Registered Auditors
10, Victoria Road South
Southsea
Hants PO5 2DA



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for the Period 29 June 1998 to 30 June 1999

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Ablyn Ltd

Company Information
for the Period 29 June 1998 to 30 June 1999

DIRECTORS: G Lindsay
D M Telling

SECRETARY: A F Waters

REGISTERED OFFICE: The Stable Block
Barley Wood
Wroughton
Bristol
BS40 5SA

REGISTERED NUMBER: 3589136 (*England and Wales*)

AUDITORS: Barter Durgan
Chartered Accountants
and Registered Auditors
10, Victoria Road South
Southsea
Hants PO5 2DA

Ablyn Ltd

Report of the Directors
for the Period 29 June 1998 to 30 June 1999

The directors present their report with the financial statements of the company for the period 29 June 1998 to 30 June 1999.

INCORPORATION

The company was incorporated on 29 June 1998 and commenced trading on 3 August 1998.

PRINCIPAL ACTIVITIES

The principal activities of the company in the period under review were those of Marine and Industrial Painting, Corrosion Engineers, Scaffolding and Containment Specialists.

DIRECTORS

The directors during the period under review were:

D.C. Symon	- appointed 22.7.98
G Lindsay	- appointed 22.7.98
A J Thomson	- appointed 22.7.98
	- resigned 22.7.98
Instant Companies Ltd	- appointed 29.6.98
	- resigned 22.7.98

The directors holding office at 30 June 1999 did not hold any beneficial interest in the issued share capital of the company at date of appointment or 30 June 1999.

Mr D C Symon resigned on 11th November 1999.

Both the directors, being eligible, offer themselves for election at the forthcoming first Annual General Meeting.

COMPANY SECRETARY

Mr D C Symon resigned as secretary on the 11th November 1999. Mr A F Waters was appointed secretary on 11th November 1999.

STATEMENT OF 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 affairs of the company and of the profit or loss of the company for that period. In preparing those 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 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.

AUDITORS

The auditors, Barter Durgan, will be proposed for re-appointment in accordance with Section 385A of the Companies Act 1985.

Ablyn Ltd

Report of the Directors
for the Period 29 June 1998 to 30 June 1999

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

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'A F Waters', written over a horizontal line.

A F Waters - SECRETARY

Dated: 1 February 2000

Ablyn Ltd

Report of the Auditors to the Shareholders of
Ablyn Ltd

We have audited the financial statements on pages five to eight which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), under the historical cost convention and the accounting policies set out on page seven.

Respective responsibilities of directors and auditors

As described on page two the company's 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 30 June 1999 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Barter Durgan
Chartered Accountants
and Registered Auditors
10, Victoria Road South
Southsea
Hants PO5 2DA

Dated: 1 February 2000

Profit and Loss Account
for the Period 29 June 1998 to 30 June 1999

	Notes	£
TURNOVER		357,446
Cost of sales		<u>141,997</u>
GROSS PROFIT		215,449
Administrative expenses		<u>236,455</u>
OPERATING LOSS	2	(21,006)
Interest payable and similar charges		<u>1,287</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(22,293)
Tax on loss on ordinary activities	3	<u>-</u>
LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION		(22,293)
DEFICIT CARRIED FORWARD		<u>£(22,293)</u>


Ablyn Ltd

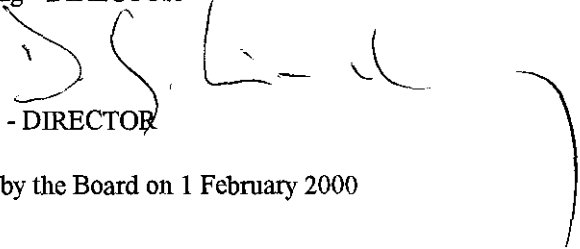
Balance Sheet
30 June 1999

	Notes	£	£
FIXED ASSETS:			
Tangible assets	4		14,843
CURRENT ASSETS:			
Stocks		21,250	
Debtors	5	93,590	
Cash in hand		545	
		<u>115,385</u>	
CREDITORS: Amounts falling due within one year	6	<u>152,519</u>	
NET CURRENT LIABILITIES:			<u>(37,134)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£(22,291)</u>
CAPITAL AND RESERVES:			
Called up share capital	7		2
Profit and loss account			<u>(22,293)</u>
Shareholders' funds			<u>£(22,291)</u>

These financial statements 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 (effective March 1999).

ON BEHALF OF THE BOARD:


D M Telling - DIRECTOR


G Lindsay - DIRECTOR

Approved by the Board on 1 February 2000

The notes form part of these financial statements

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the *Financial Reporting Standard for Smaller Entities* (effective March 1999).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

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

Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 20% on cost

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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. **OPERATING LOSS**

The operating loss is stated after charging:

	£
Depreciation - owned assets	3,774
	<hr/>
Directors' emoluments and other benefits etc	-
	<hr/>

3. **TAXATION**

No liability to UK corporation tax arose on ordinary activities for the period.

Notes to the Financial Statements
for the Period 29 June 1998 to 30 June 1999

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Motor vehicles	Computer equipment	Totals
	£	£	£	£
COST:				
Additions	687	15,700	2,230	18,617
At 30 June 1999	687	15,700	2,230	18,617
DEPRECIATION:				
Charge for period	94	3,271	409	3,774
At 30 June 1999	94	3,271	409	3,774
NET BOOK VALUE:				
At 30 June 1999	593	12,429	1,821	14,843

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
V.A.T.	10,068
Trade debtors	83,522
	93,590

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Bank loans and overdrafts	18,945
Trade creditors	37,736
Due to related companies	42,379
Hire purchase	4,127
Other creditors	9,332
Directors' current accounts	40,000
	152,519

7. CALLED UP SHARE CAPITAL

Authorised:			
Number:	Class:	Nominal value:	£
1,000	Ordinary	£1	1,000
Alotted, issued and fully paid:			
Number:	Class:	Nominal value:	£
2	Ordinary	£1	2