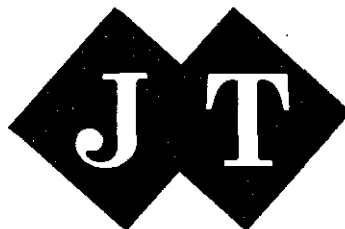


REDHOUSE INDUSTRIAL SERVICES LIMITED

**DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 OCTOBER 2000
(AS MODIFIED BY SECTIONS 247 TO 249 COMPANIES ACT 1985)**

COMPANY NUMBER: 1190855



BUSINESS SERVICES

Accountants & Taxation Advisors

REDHOUSE INDUSTRIAL SERVICES LIMITED

INDEX TO MODIFIED FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2000

Pages

1	Balance Sheet
2	Statement of Directors' Responsibilities
3 - 5	Notes to the Financial Statements

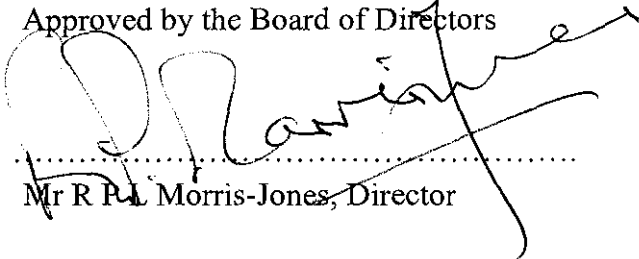
REDHOUSE INDUSTRIAL SERVICES LIMITED

MODIFIED ABBREVIATED BALANCE SHEET AS AT 31 OCTOBER 2000

	Notes	2000	1999
		£	£
<u>Fixed Assets</u>			
Tangible Assets	2	<u>342,104</u>	<u>355,466</u>
<u>Current Assets</u>			
Stock		19,472	23,269
Debtors	3	78,017	73,207
Cash in Hand		<u>456</u>	<u>263</u>
		97,945	96,739
<u>Current Liabilities</u>			
Creditors: Amounts due within one year	4	<u>57,909</u>	<u>80,838</u>
		<u>40,036</u>	<u>15,901</u>
Total Assets less Current Liabilities		382,140	371,367
Creditors: Amounts due after one year	5	<u>245,694</u>	<u>287,778</u>
		<u>136,446</u>	<u>83,589</u>
Represented by:			
<u>Capital and Reserves</u>			
Called Up Share Capital	6	50,000	50,000
General Reserve		<u>86,446</u>	<u>33,589</u>
		<u>136,446</u>	<u>83,589</u>

The directors have taken advantage of the special exemption conferred by Part III of Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those special exemptions as a small company.

Approved by the Board of Directors

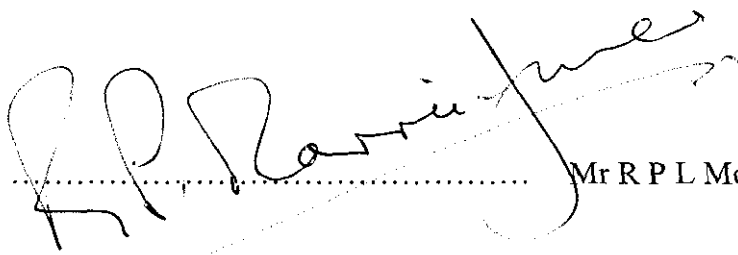

.....
Mr R P L Morris-Jones, Director

REDHOUSE INDUSTRIAL SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

AS AT 31 OCTOBER 2000

- A) For the year in question the company was entitled to the exemption conferred by subsection (1) of section 249A.
- B) No notice (from members requiring an audit) has been deposited under subsection (2) of section 249B in relation to its financial statements for the financial year.
- C) That the directors acknowledge their responsibilities for:-
(i) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
(ii) preparing financial statements which give a true and fair view of the state 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, and which otherwise comply with the requirements of the Act relating to financial statements so far as applicable to the company.
- D) Advantage has been taken of the exemptions conferred by section A of part 111 of schedule 8, and
- E) In the opinion of the directors, the company is entitled to those exemptions on the basis that it qualifies as a small company.



Mr R P L Morris-Jones

..... 15.01.01

Date of Approval by Board

REDHOUSE INDUSTRIAL SERVICES LIMITED

NOTES TO THE MODIFIED FINANCIAL STATEMENTS YEAR ENDED 31 OCTOBER 2000

1. ACCOUNTING POLICIES

a) Accounting Convention

The accounts are prepared on a going concern basis under the historical cost convention.

b) Turnover

This represents net invoiced amounts, excluding Value Added Tax.

c) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation less estimated residual value of each asset evenly over its expected useful life or lease period if shorter, as follows:

Commercial Vehicles	25%	Reducing Balance
Motor Vehicles	25%	Reducing Balance
Plant and Equipment	15%	Reducing Balance
Trailers	25%	Reducing Balance
Mobile Plant	25%	Reducing Balance
Office Equipment and Furniture	15%	Reducing Balance

d) Stock

Stocks are valued at the lower of cost or net realisable value. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

e) Taxation

The liability to Corporation Tax is shown on the attached Profit and Loss Account. No provision has been made for deferred taxation which might arise from the excess of accumulated Capital Allowances.

f) Financial Reporting

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cashflow statement on the grounds that it is a small company.

g) Hire Purchase Contracts

Interest is assumed to accrue evenly over the term of the agreement.

REDHOUSE INDUSTRIAL SERVICES LIMITED

NOTES TO THE MODIFIED FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2000

2. TANGIBLE FIXED ASSETS

	Freehold Property	Motor Vehicles	Trailers	Office Equipment & Furniture	Plant & Equipment	Total
	£	£	£	£	£	£
<u>Cost</u>						
At 1.11.99	322,265	96,176	40,200	16,844	55,966	531,451
Additions	-	-	-	-	1,200	1,200
Disposals	-	(5,000)	(22,000)	-	(2,250)	(29,250)
At 31.10.00	<u>322,265</u>	<u>91,176</u>	<u>18,200</u>	<u>16,844</u>	<u>54,916</u>	<u>503,401</u>
<u>Depreciation</u>						
At 1.11.99	-	86,059	35,479	12,462	47,176	181,176
Disposals	-	(4,833)	(18,408)	-	(2,197)	(25,438)
Charge for year	-	2,488	282	656	2,133	5,559
At 31.10.00	<u>-</u>	<u>83,714</u>	<u>17,353</u>	<u>13,118</u>	<u>47,112</u>	<u>161,297</u>

NET BOOK VALUES

At 31 October 2000	<u>322,265</u>	<u>7,462</u>	<u>847</u>	<u>3,726</u>	<u>7,804</u>	<u>342,104</u>
At 31 October 1999	<u>322,265</u>	<u>10,117</u>	<u>4,721</u>	<u>4,382</u>	<u>8,790</u>	<u>350,275</u>

REDHOUSE INDUSTRIAL SERVICES LIMITED

NOTES TO THE MODIFIED FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2000

3. DEBTORS

Trade Debtors	76,671	68,689
Prepayments	1,346	1,221
	<u>78,017</u>	<u>69,910</u>

4. CREDITORS DUE WITHIN ONE YEAR

Trade Creditors	843	11,067
Other Creditors	16,480	13,879
Corporation Tax	4,011	-
National Westminster Bank - Current Account	6,782	24,006
- Loan Account	29,793	33,180
	<u>57,909</u>	<u>82,132</u>

5. CREDITORS DUE AFTER ONE YEAR

Loan Account	74,897	94,282
Directors Loan Accounts: Mr R P L Morris-Jones	100,065	100,065
Mrs J M Morris Jones	70,732	70,732
	<u>245,694</u>	<u>265,079</u>

6. SHARE CAPITAL

Authorised

50,000 Ordinary Shares of £1 each	<u>50,000</u>	<u>50,000</u>
-----------------------------------	---------------	---------------

Issued and Fully Paid

50,000 Ordinary Shares of £1 each	<u>50,000</u>	<u>50,000</u>
-----------------------------------	---------------	---------------