

Company Registration No. 2440021 (England and Wales)

GILKS (ELECTRICAL HOLDINGS) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002



GILKS (ELECTRICAL HOLDINGS) LIMITED

COMPANY INFORMATION

Directors	M.C. Beeston N.R.W. Winzer
Secretary	N.R.W. Winzer
Company number	2440021
Registered office	10B Beam Street Nantwich Cheshire CW5 5LP
Auditors	Horwath Lyon Griffiths 63-67 Welsh Row Nantwich Cheshire CW5 5EW
Business address	10B Beam Street Nantwich Cheshire CW5 5LP
Bankers	Barclays Bank plc Churchyard Nantwich Cheshire CW5 5DH

GILKS (ELECTRICAL HOLDINGS) LIMITED

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GILKS (ELECTRICAL HOLDINGS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2002

The directors present their report and financial statements for the year ended 31 December 2002.

Principal activities and review of the business

The principal activity of the company continued to be that of a holding company.

Results and dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid amounting to £20,000. The directors do not recommend payment of a final dividend.

Directors

The following directors have held office since 1 January 2002:

M.C. Beeston
N.R.W. Winzer

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 December 2002	1 January 2002
M.C. Beeston	-	-
N.R.W. Winzer	-	-

The interests of the directors in the shares of the parent company are shown in the financial statements of that company.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Horwath Lyon Griffiths be reappointed as auditors of the company will be put to the Annual General Meeting.

GILKS (ELECTRICAL HOLDINGS) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2002

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.

On behalf of the board



N.R.W. Winzer

Director

27 March 2003

GILKS (ELECTRICAL HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GILKS (ELECTRICAL HOLDINGS) LIMITED

We have audited the financial statements of Gilks (Electrical Holdings) Limited on pages 4 to 11 for the year ended 31 December 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

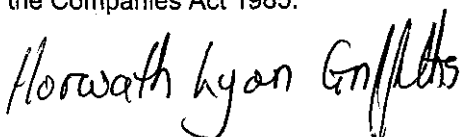
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

Unqualified 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 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Horwath Lyon Griffiths
Chartered Accountants and
Registered Auditors

27 March 2003
63-67 Welsh Row
Nantwich
Cheshire
CW5 5EW

GILKS (ELECTRICAL HOLDINGS) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	2002 £	2001 £
Loss on ordinary activities before taxation		-	-
Tax on loss on ordinary activities	2	-	-
Loss on ordinary activities after taxation		-	-
Dividends	3	(20,000)	(20,000)
Retained loss for the year	7	(20,000)	(20,000)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

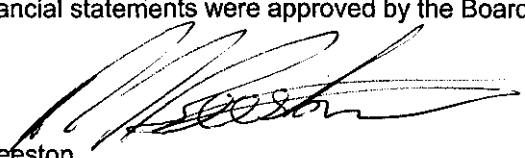
There are no recognised gains and losses other than those passing through the profit and loss account.

GILKS (ELECTRICAL HOLDINGS) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2002

	Notes	2002 £	£	2001 £	£
Fixed assets					
Investments	4		357,420		377,420
Current assets					
Cash at bank and in hand		233		233	
Net current assets			233		233
Total assets less current liabilities			357,653		377,653
Creditors: amounts falling due after more than one year	5		(240,115)		(240,115)
			117,538		137,538
Capital and reserves					
Called up share capital	6		116,002		116,002
Profit and loss account	7		1,536		21,536
Shareholders' funds - equity interests	8		117,538		137,538

The financial statements were approved by the Board on 27 March 2003


M.C. Beeston
Director

GILKS (ELECTRICAL HOLDINGS) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2002

	2002		2001	
	£	£	£	£
Net cash outflow from operating activities		-		-
Financial investment				
Receipts on inter company loan account	20,000		20,000	
Net cash inflow for capital expenditure		20,000		20,000
Equity dividends paid		(20,000)		(20,000)
Net cash outflow before management of liquid resources and financing		-		-
Decrease in cash in the year		-		-

GILKS (ELECTRICAL HOLDINGS) LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2002

1	Reconciliation of operating loss to net cash outflow from operating activities	2002		2001	
		£		£	
	Net cash outflow from operating activities				
2	Analysis of net debt	1 January 2002	Cash flow	Other non-cash changes	31 December 2002
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	233	-	-	233
	Debt:				
	Debts falling due after one year	(240,115)	-	-	(240,115)
	Net debt	(239,882)	-	-	(239,882)
3	Reconciliation of net cash flow to movement in net debt	2002		2001	
		£		£	
	Decrease in cash in the year				
	Movement in net debt in the year				
	Opening net debt	(239,882)		(239,882)	
	Closing net debt	(239,882)		(239,882)	

GILKS (ELECTRICAL HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.3 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Taxation

Current tax charge

	-	-

3 Dividends

Ordinary interim paid

2002	2001
£	£
20,000	20,000

GILKS (ELECTRICAL HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2002

4 Fixed asset investments

	Shares in group undertakings £	Loans to group undertakings £	Total £
Cost			
At 1 January 2002	294,420	83,000	377,420
Repaid in the year	-	(20,000)	(20,000)
	<u>294,420</u>	<u>63,000</u>	<u>357,420</u>
At 31 December 2002	<u>294,420</u>	<u>63,000</u>	<u>357,420</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Gilks (Nantwich) Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Gilks (Nantwich) Limited	<u>1,302,262</u>	<u>116,203</u>

GILKS (ELECTRICAL HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2002

5	Creditors: amounts falling due after more than one year	2002	2001
		£	£
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	240,115	240,115
		<u>240,115</u>	<u>240,115</u>
	Analysis of loans		
	Not wholly repayable within five years other than by instalments:		
	Amounts owed to Gilks (Nantwich) Limited	240,115	240,115
		<u>240,115</u>	<u>240,115</u>
		<u>240,115</u>	<u>240,115</u>
	Loan maturity analysis		
	In more than five years	240,115	240,115
		<u>240,115</u>	<u>240,115</u>
6	Share capital	2002	2001
		£	£
	Authorised		
	120,000 Ordinary shares of £ 1 each	120,000	120,000
		<u>120,000</u>	<u>120,000</u>
	Allotted, called up and fully paid		
	116,002 Ordinary shares of £ 1 each	116,002	116,002
		<u>116,002</u>	<u>116,002</u>
7	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 1 January 2002		21,536
	Retained loss for the year		(20,000)
			<u>1,536</u>
	Balance at 31 December 2002		<u>1,536</u>

GILKS (ELECTRICAL HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2002

8	Reconciliation of movements in shareholders' funds	2002 £	2001 £
	Loss for the financial year	-	-
	Dividends	(20,000)	(20,000)
	Net depletion in shareholders' funds	(20,000)	(20,000)
	Opening shareholders' funds	137,538	157,538
	Closing shareholders' funds	<u>117,538</u>	<u>137,538</u>

9 Employees

Number of employees

There were no employees during the year apart from the directors.

10 Control

The parent company is Gilks (1999) Limited, a company registered in England and Wales. The controlling party is Mr M. C. Beeston, the majority shareholder of Gilks (1999) Limited.