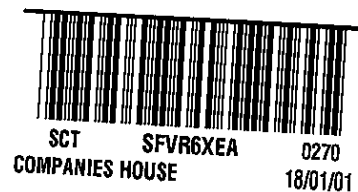


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63739

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000
FOR
GLENDAL E ELECTRICAL ENGINEERS
(GLASGOW) LIMITED



GLENDALE ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

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for the Year Ended 31 March 2000

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GLENDAL E ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

COMPANY INFORMATION
for the Year Ended 31 March 2000

DIRECTORS:	E Robertson Mrs E M Robertson A Corner W Paterson M McCabe
SECRETARY:	Mrs. E.M. Robertson
REGISTERED OFFICE:	1014 Cumbernauld Road, Glasgow G33 2QR
REGISTERED NUMBER:	63739 (Scotland)
AUDITORS:	Thomas Barrie & Co. Registered Auditors Chartered Accountants Atlantic Chambers 1a Cadogan Street Glasgow G2 6QE
SOLICITORS:	Clark Boyle & Co.

GLENDALE ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

REPORT OF THE DIRECTORS
for the Year Ended 31 March 2000

The directors present their report with the financial statements of the company for the year ended 31 March 2000.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of electrical engineering contractors.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2000.

DIRECTORS

The directors during the year under review were:

E Robertson
Mrs E M Robertson
A Corner
W Paterson
M McCabe

The beneficial interests of the directors holding office on 31 March 2000 in the issued share capital of the company were as follows:

	31.3.00	1.4.99
Ordinary £1 shares		
E Robertson	1,200	1,200
Mrs E M Robertson	1,000	1,000
A Corner	-	-
W Paterson	-	-
M McCabe	-	-

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.

GLENDALE ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

REPORT OF THE DIRECTORS
for the Year Ended 31 March 2000

AUDITORS

The auditors, Thomas Barrie & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'E Robertson', with a large circular flourish at the end.

E Robertson - DIRECTOR

Dated: 12 January 2001

GLENDALE ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
GLENDALE ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

We have audited the financial statements on pages five to fifteen which have been prepared under the historical cost convention and the accounting policies set out on page ten.

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 31 March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Thomas Barrie & Co.
Registered Auditors
Chartered Accountants
Atlantic Chambers
1a Cadogan Street
Glasgow
G2 6QE



Dated: 12 January 2001

GLENDAL E ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 March 2000

1999		Notes	2000	
£	£		£	£
	4,445,562			3,921,305
	68,961			(96,714)
	4,514,523			3,824,591
	2,066,018			1,664,569
	2,448,505			2,160,022
2,026,280		2	1,780,228	
57,158			53,739	
290,256			290,575	
	2,373,694			2,124,542
	74,811	3		35,480
	24			8
	74,835			35,488
	17,698	4		24,721
	57,137			10,767
	15,665	5		8,254
	41,472			2,513
	94,027			135,499
	£135,499			£138,012

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

GLENDAL E ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

BALANCE SHEET
31 March 2000

1999				2000
£	£		Notes	£
		FIXED ASSETS:		
	187,483	Tangible assets	6	136,047
		CURRENT ASSETS:		
256,609		Stocks	7	159,895
906,807		Debtors	8	630,147
3,281		Cash at bank and in hand		118,224
				908,266
		CREDITORS: Amounts falling due within one year	9	792,010
	(14,363)	NET CURRENT ASSETS/(LIABILITIES):		116,256
	173,120	TOTAL ASSETS LESS CURRENT LIABILITIES:		252,303
	35,421	CREDITORS: Amounts falling due after more than one year	10	112,091
	£137,699			£140,212
		CAPITAL AND RESERVES:		
	2,200	Called up share capital	14	2,200
	135,499	Profit and loss account		138,012
	£137,699	SHAREHOLDERS' FUNDS:	18	£140,212

ON BEHALF OF THE BOARD:



E Robertson - DIRECTOR

Approved by the Board on 12 January 2001

The notes form part of these financial statements

**GLENDAL E ELECTRICAL ENGINEERS
(GLASGOW) LIMITED**

**CASH FLOW STATEMENT
for the Year Ended 31 March 2000**

1999		Notes	2000	
£	£		£	£
	42,903	1		266,228
(17,674)		2		(24,713)
(5,889)				(15,644)
(51,650)		2		(2,305)
(32,310)				223,566
(54,202)		2		29,619
<u>£(86,512)</u>				<u>£253,185</u>
		3		
(86,512)			253,185	
24,330			35,752	
(62,182)				288,937
(66,709)				-
(128,891)				288,937
(127,521)				(256,412)
<u>£(256,412)</u>				<u>£32,525</u>

The notes form part of these financial statements

GLENDAL E ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 March 2000

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2000 £	1999 £
Operating profit	35,480	74,811
Depreciation charges	42,275	56,713
Loss on sale of fixed assets	11,464	445
Decrease/(Increase) in stocks	96,714	(68,961)
Decrease/(Increase) in debtors	276,662	(412,404)
(Decrease)/Increase in creditors	(196,367)	392,299
	<u> </u>	<u> </u>
Net cash inflow from operating activities	<u><u>266,228</u></u>	<u><u>42,903</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2000 £	1999 £
Returns on investments and servicing of finance		
Interest received	8	24
Interest paid	(19,438)	(13,273)
Interest element of hire purchase payments	(5,283)	(4,425)
	<u> </u>	<u> </u>
Net cash outflow for returns on investments and servicing of finance	<u><u>(24,713)</u></u>	<u><u>(17,674)</u></u>
 Capital expenditure		
Purchase of tangible fixed assets	(2,605)	(56,863)
Sale of tangible fixed assets	300	5,213
	<u> </u>	<u> </u>
Net cash outflow for capital expenditure	<u><u>(2,305)</u></u>	<u><u>(51,650)</u></u>
 Financing		
New loan taken out in year	103,668	-
Capital Element of Hire Purchase se repayments	(35,752)	(24,330)
Amount withdrawn by directors	(38,297)	(29,872)
	<u> </u>	<u> </u>
Net cash inflow/(outflow) from financing	<u><u>29,619</u></u>	<u><u>(54,202)</u></u>

The notes form part of these financial statements

GLENDALE ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 March 2000

3. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.4.99 £	Cash flow £	At 31.3.00 £
Net cash:			
Cash at bank and in hand	3,281	114,943	118,224
Bank overdraft	(188,520)	138,242	(50,278)
	<u>(185,239)</u>	<u>253,185</u>	<u>67,946</u>
Debt:			
Hire purchase	(71,173)	35,752	(35,421)
	<u>(71,173)</u>	<u>35,752</u>	<u>(35,421)</u>
Total	<u>(256,412)</u>	<u>288,937</u>	<u>32,525</u>
Analysed in Balance Sheet			
Cash at bank and in hand	3,281		118,224
Bank overdraft	(188,520)		(50,278)
Hire purchase			
within one year	(35,752)		(26,998)
after one year	(35,421)		(8,423)
	<u>(256,412)</u>		<u>32,525</u>

The notes form part of these financial statements

GLENDAL E ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2000

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

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 or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% on cost
Plant and machinery	- 10% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on reducing balance

Stocks

Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	2000	1999
	£	£
Wages and salaries	1,605,613	1,822,866
Social security costs	136,914	157,020
Other pension costs	37,701	46,394
	<u>1,780,228</u>	<u>2,026,280</u>

GLENDALE ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2000

2. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2000	1999
Administration	13	8
Production	79	73
	<u>92</u>	<u>81</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2000	1999
	£	£
Hire of plant and machinery	1,028	1,929
Depreciation - owned assets	22,719	28,715
Depreciation - assets on hire purchase contracts	19,556	27,998
Loss on disposal of fixed assets	11,464	445
Auditors' remuneration	6,800	6,800
	<u>168,782</u>	<u>151,610</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2000	1999
	£	£
Bank interest	11,037	13,273
Loan	8,401	-
Hire purchase	5,283	4,425
	<u>24,721</u>	<u>17,698</u>

5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	2000	1999
	£	£
UK corporation tax	8,254	15,644
Underprovision in prior years	-	21
	<u>8,254</u>	<u>15,665</u>

UK corporation tax has been charged at 20% (1999 - 21%).

GLENDAL E ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2000

6. TANGIBLE FIXED ASSETS

	Totals	Improvements to property	Plant and machinery	Fixtures and fittings	Motor vehicles
	£	£	£	£	£
COST:					
At 1 April 1999	435,448	31,156	15,506	98,965	289,821
Additions	2,605	-	-	805	1,800
Disposals	(56,844)	-	-	-	(56,844)
At 31 March 2000	381,209	31,156	15,506	99,770	234,777
DEPRECIATION:					
At 1 April 1999	247,967	17,235	9,348	72,169	149,215
Charge for year	42,275	1,740	1,233	6,714	32,588
Eliminated on disposals	(45,080)	-	-	-	(45,080)
At 31 March 2000	245,162	18,975	10,581	78,883	136,723
NET BOOK VALUE:					
At 31 March 2000	136,047	12,181	4,925	20,887	98,054
At 31 March 1999	187,483	13,921	6,159	26,797	140,606

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles
	£
COST:	
At 1 April 1999	123,438
Disposals	(10,250)
At 31 March 2000	113,188
DEPRECIATION:	
At 1 April 1999	39,447
Charge for year	19,556
Eliminated on disposals	(4,484)
At 31 March 2000	54,519
NET BOOK VALUE:	
At 31 March 2000	58,669
At 31 March 1999	83,991

GLENDAL E ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2000

7. STOCKS

	2000	1999
	£	£
Stock	4,000	4,000
Work in Progress	155,895	252,609
	<u>159,895</u>	<u>256,609</u>

**8. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2000	1999
	£	£
Trade Debtors	570,436	823,913
Prepayments	48,093	68,803
Other Debtors	6,907	11,649
Staff Loans	4,711	2,442
	<u>630,147</u>	<u>906,807</u>

**9. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2000	1999
	£	£
Bank loans and overdrafts (see note 11)	50,278	188,520
Hire purchase contracts (see note 12)	26,998	35,752
Trade Creditors	382,080	571,126
Other Creditors	3,000	60
Directors' current accounts	76,647	114,944
V.A.T.	113,096	91,613
Social Security & Other Taxes	72,605	58,856
Taxation	8,254	15,644
Accrued Expenses	59,052	104,545
	<u>792,010</u>	<u>1,181,060</u>

**10. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2000	1999
	£	£
Loan - Pension Scheme Trustees (see note 11)	103,668	-
Hire purchase contracts (see note 12)	8,423	35,421
	<u>112,091</u>	<u>35,421</u>

GLENDAL E ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2000

11. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2000 £	1999 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>50,278</u>	<u>188,520</u>
Amounts falling due between two and five years:		
Loan - Pension Scheme Trustees	<u>103,668</u>	<u>-</u>

12. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2000 £	1999 £
Gross obligations repayable:		
Within one year	31,238	41,225
Between one and five years	<u>9,522</u>	<u>40,760</u>
	<u>40,760</u>	<u>81,985</u>
Finance charges repayable:		
Within one year	4,240	5,473
Between one and five years	<u>1,099</u>	<u>5,339</u>
	<u>5,339</u>	<u>10,812</u>
Net obligations repayable:		
Within one year	26,998	35,752
Between one and five years	<u>8,423</u>	<u>35,421</u>
	<u>35,421</u>	<u>71,173</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	2000 £	1999 £
Bank overdrafts	<u>50,278</u>	<u>188,520</u>

The bank overdraft is secured by a Bond and Floating Charge in favour of The Royal Bank of Scotland plc over all the assets of the Company.

GLENDALD ELECTRICAL ENGINEERS
(GLASGOW) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2000

14. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2000	1999
			£	£
10,000	Ordinary	£1	10,000	10,000
			<u> </u>	<u> </u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2000	1999
			£	£
2,200	Ordinary	£1	2,200	2,200
			<u> </u>	<u> </u>

15. PENSION COMMITMENTS

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge represents contributions payable by the Company to the fund and amounted to £37,701 (1999 - £46,394).

16. TRANSACTIONS WITH DIRECTORS

E Robertson and Mrs E Robertson, the trustees of Glendale Electrical (Glasgow) Limited directors retirement plan have advanced the sum of £103,668 to the company. The loan is repayable on or before 22 April 2003. Interest will be paid to the retirement plan at a rate equal to 3.50% p.a. over the bank base rate.

17. RELATED PARTY DISCLOSURES

The premises used by the Company are owned by Mr E Robertson to whom it paid rent of £9,600 (1999 - £9,600).

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000	1999
	£	£
Profit for the financial year	2,513	41,472
	<u> </u>	<u> </u>
Net addition to shareholders' funds	2,513	41,472
Opening shareholders' funds	137,699	96,227
	<u> </u>	<u> </u>
Closing shareholders' funds	140,212	137,699
	<u> </u>	<u> </u>
Equity interests	140,212	137,699
	<u> </u>	<u> </u>