

Kentallen Holdings Limited

FINANCIAL STATEMENTS

for the year ended

30 June 2003



SCT SPG7LR1H 0380
COMPANIES HOUSE 20/12/03

Kentallen Holdings Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

W. Hamilton
A. Reilly

SECRETARY

W. Hamilton

REGISTERED OFFICE

Lancaster Road
Lowmoss Industrial Estate
Bishopbriggs
G64 2LL

AUDITORS

Baker Tilly
Chartered Accountants
Breckenridge House
274 Sauchiehall Street
Glasgow
G2 3EH

Kentallen Holdings Limited

DIRECTORS' REPORT

The directors submit their report and financial statements of Kentallen Holdings Limited for the year ended 30 June 2003.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of a holding company.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Class of share	At 30 June 2003	At 1 July 2002
W. Hamilton	Ordinary Shares	26	26
		—	—
A. Reilly	Ordinary Shares	—	—
		—	—
		<u>—</u>	<u>—</u>

AUDITORS

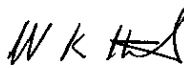
A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

SMALL COMPANY PROVISIONS

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

Registered office:
Lancaster Road
Lowmoss Industrial Estate
Bishopbriggs
G64 2LL

On behalf of the board


Mr W K Hamilton
Director
15/12/03

Kentallen Holdings Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 requirements of 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KENTALLEN HOLDINGS LIMITED

We have audited the financial statements on pages 6 to 11.

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 auditors' 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 opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
KENTALLEN HOLDINGS LIMITED (continued)

ADVERSE OPINION

As more fully explained under the accounting policy on impairment, the directors believe that forecast profitability will lead to the value of the investments being maintained. In our opinion, and as required by the Companies Act 1985, the investments of £370,000 should be valued at no more than their recoverable amounts. We are unable at this time to quantify what this recoverable amount should be.

In view of the failure to provide for the impairment of the investments referred to above, in our opinion the financial statements do not give a true and fair view of the state of the company's affairs as at 30 June 2003 and of its loss for the year then ended. In all other respects, in our opinion, the financial statements have been properly prepared in accordance with the Companies Act 1985.



BAKER TILLY

Registered Auditor
Chartered Accountants
Breckenridge House
274 Sauchiehall Street
Glasgow
G2 3EH

15.11.2003

Kentallen Holdings Limited

PROFIT AND LOSS ACCOUNT

for the year ended 30 June 2003

	<i>Notes</i>	2003 £	2002 £
TURNOVER		—	—
Administrative expenses		2,401	1,001
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(2,401)</u>	<u>(1,001)</u>
LOSS FOR THE FINANCIAL YEAR		<u>(2,401)</u>	<u>(1,001)</u>

Kentallen Holdings Limited

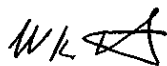
BALANCE SHEET

30 June 2003

	Notes	2003 £	2002 £
FIXED ASSETS			
Investments	2	<u>370,000</u>	<u>370,000</u>
CURRENT ASSETS			
Debtors	3	46,133	47,835
CREDITORS			
Amounts falling due within one year	4	28,649	27,950
NET CURRENT ASSETS		<u>17,484</u>	<u>19,885</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>387,484</u>	<u>389,885</u>
CAPITAL AND RESERVES			
Called up share capital	6	400,100	400,100
Profit and loss account	7	(12,616)	(10,215)
SHAREHOLDERS' FUNDS (INCLUDING NON-EQUITY INTERESTS)		<u>387,484</u>	<u>389,885</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 15/12/03 and are signed on their behalf by:


Mr W K Hamilton
Director

Kentallen Holdings Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

IMPAIRMENT

The directors do not consider an impairment review necessary in respect of the companys investments in its subsidiary companies. They believe that the company's forecast profitability will result in the investments value being maintained.

CONSOLIDATION

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act not to prepare group accounts. The financial statements present the results of the parent company only and do not show the results of the group.

GOING CONCERN

The Group is dependent upon the support of its creditors and bankers. The directors believe that this support will continue into the foreseeable future and the financial statements for the company have therefore been prepared on a going concern basis.

Kentallen Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2003

1 OPERATING LOSS

Operating loss is stated after charging:

	2003	2002
	£	£
Directors' emoluments	—	—
Auditors' fees	<u>1,921</u>	<u>1,000</u>

2 INVESTMENTS

	£
Cost	
At 1 July 2002 and 30 June 2003	<u>370,000</u>
Net book value	
At 30 June 2003	<u>370,000</u>
At 30 June 2002	<u>370,000</u>

Company	% Holding	Class of share	Capital and Reserves £	Profit/(loss) for the year £
Kentallen Mechanical Services Ltd	100	Ordinary	32,064	(3,408)
Kentallen Fire Protection Ltd	100	Ordinary	289,296	73,585

The principal activities of the above subsidiaries during the year were those of mechanical services and the installation of fire protection systems respectively.

3 DEBTORS

	2003	2002
	£	£
Amounts owed by group undertakings	<u>46,133</u>	<u>47,835</u>

4 CREDITORS: Amounts falling due within one year

	2003	2002
	£	£
Amounts owed to group undertakings	27,392	26,170
Other creditors	<u>1,257</u>	<u>1,780</u>
	<u>28,649</u>	<u>27,950</u>

Kentallen Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2003

5 RELATED PARTY TRANSACTIONS

The company's related party transactions during the year to 30 June 2003 are summarised as follows:-

Related Party	Relationship	Transactions	Amount £	Balance due (to)/ from at 30/06/03 £
Kentallen Mechanical Services Limited	Subsidiary	Paid on behalf of	1,702	46,133
Kentallen Fire Protection Limited	Subsidiary	Paid on behalf of	1,222	(27,392)

The company's related party transactions during the year to 30 June 2002 are summarised as follows:-

Related Party	Relationship	Transactions	Amount £	Balance due (to)/ from at 30/06/02 £
Kentallen Mechanical Services Limited	Subsidiary	Paid on behalf of	348	47,835
Kentallen Fire Protection Limited	Subsidiary	None	Nil	(26,170)

6 SHARE CAPITAL

	2003 £	2002 £
Authorised:		
100 Ordinary shares of £1 each	100	100
400,000 Preference shares of £1 each	400,000	400,000
	<u>400,100</u>	<u>400,100</u>
	2003 £	2002 £
Allotted, called up and fully paid:		
100 Ordinary shares of £1 each	100	100
400,000 Preference shares of £1 each	400,000	400,000
	<u>400,100</u>	<u>400,100</u>

Kentallen Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2003

6 SHARE CAPITAL *(continued)*

Of the issued preference shares, Kentallen Fire Protection Limited holds 40,000 and Kentallen Mechanical Services Limited holds 240,000. These shares have no voting rights attached to them, a 1% non cumulative dividend is payable at the directors' discretion and they are due to be redeemed at par on 30 April 2020.

The remainder of the preference shares have no voting rights attached to them, a 12% non cumulative dividend is payable at the directors' discretion and they are due to be redeemed at par on 31 July 2003.

7 PROFIT AND LOSS ACCOUNT

	2003	2002
	£	£
At 1 July 2002	(10,215)	(9,214)
Accumulated loss for the financial year	(2,401)	(1,001)
At 30 June 2003	<u>(12,616)</u>	<u>(10,215)</u>