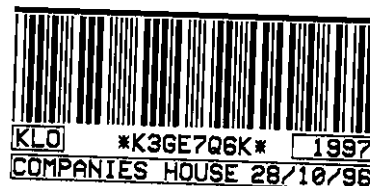


INTERNATIONAL COATING PRODUCTS (UK) LTD.
ACCOUNTS FOR THE YEAR
ENDED
31ST DECEMBER 1995

REGISTERED NUMBER 1006417

R.J. GALE, Chartered Accountant,
6, Greenfields Road,
Dereham,
Norfolk,
NR20 3TE



INTERNATIONAL COATING PRODUCTS (UK) LTD

ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 1995

COMPANY INFORMATION

DIRECTORS:

C.M.T. Hermelin

M. Hermelin

REGISTERED OFFICE

Chichester House,
278/282, High Holborn,
London.

BANKERS

Lloyds Bank Plc.,
Slough Central Branch,
24, High St.,
Slough,
SL1 1EJ

REPORTING ACCOUNTANT

Robert J. Gale,
Chartered Accountant,
6, Greenfields Road,
Dereham,
Norfolk,
NR20 3TE

INTERNATIONAL COATING PRODUCTS (UK) LTD

DIRECTORS' REPORT

The Directors present the annual report on the affairs of the company, together with the unaudited financial statements for the year ended 31st December 1995.

Principal activity and business review

The principal activity of the company in the year was the distribution of surface coating products and application equipment to the construction industry. The company has engaged in direct marketing and selling of the product instead of acting purely as a marketing company. No dividend is proposed for the year. There have been no significant events which have occurred since the Balance Sheet date, and the company has no plans to alter materially the size or scope of its present activities. The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

Fixed assets

The information on the movement of fixed assets is set out on note 4 to the accounts.

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 the 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 a 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 ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud or any other irregularities.

Directors

The directors of the company during the period, together with their shareholding, were as follows:

	<u>1995</u>	<u>1994</u>
C.M.T. Hermelin	1	1
M. Hermelin	-	-

Auditor

In accordance with Section 385 of the Companies Act 1985, a resolution for the appointment of Mr. R. J. Gale FCA as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

For and on behalf of the Board.



Reynolds, Porter, Chamberlain
Secretary

20th June 1996

ACCOUNTANTS REPORT TO THE SHAREHOLDERS ON THE UNAUDITED
ACCOUNTS OF INTERNATIONAL COATING PRODUCTS (UK) LTD

I report on the accounts for the year ended 31st December 1995 set out on pages 5 to 9.

Respective responsibilities of directors and reporting accountants.

As described on pages 2 & 3, the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is my responsibility to carry out procedures designed to enable me to report my opinion.

Basis of opinion

My work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so my procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as I considered necessary for the purpose of the report. These procedures provide only the assurance expressed in the opinion.

Opinion

In my opinion a) The accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985

b) having regard only to and on the basis of the information contained in those accounting records

(i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249c(6) of the Act, and

(ii) the accounts have been drawn up using a going concern basis, as the directors have given financial undertaking to continue supporting it for the foreseeable future, and I therefore concur with this basis of accounting, and

(iii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249a(4) of the Act and did not at any time within the year fall within any of the categories of companies not entitled to the exemption specified in section 249b(1)

R.J. GALE, BA(Hons), FCA

Date

26/6/96

R.J. Gale

INTERNATIONAL COATING PRODUCTS (UK) LTD

PROFIT & LOSS ACCOUNT

FOR THE YEAR TO 31ST DECEMBER 1995

			<u>YEAR</u>		<u>YEAR</u>
			<u>1995</u>		<u>1994</u>
	NOTE	£	£	£	£
TURNOVER	1(a)		264222		88845
Cost of sales			197037		18198
			-----		-----
GROSS PROFIT			67185		70647
Administration expenses			67089		74063
			-----		-----
OPERATING PROFIT/(LOSS)	2		96		(3416)
Corporation Tax Payable	3		-		-
			-----		-----
NET PROFIT/ (LOSS) AFTER TAXATION			£96		£(3416)
			=====		=====

INTERNATIONAL COATING PRODUCTS (UK) LIMITED

BALANCE SHEET as at 31ST DECEMBER 1995

		1995	1994
FIXED ASSETS	Notes		
Tangible assets	4	2700	290
		-----	-----
CURRENT ASSETS:			
Stocks	5	16843	-
Debtors	6	36641	1655
Cash at Bank		16636	9680
		-----	-----
		70120	11335
CREDITORS			
amounts falling due			
within one year	7	(227241)	(166142)
		-----	-----
NET CURRENT LIABILITIES		(157121)	(154807)
		-----	-----
		(154421)	(154517)
		-----	-----
CAPITAL AND RESERVES			
Share capital	8	43745	43745
Profit & loss	9	(198166)	(198262)
		-----	-----
		(154421)	(154517)
		-----	-----

DIRECTORS STATEMENT

- 1) For the year ended 31st December 1995 the company was entitled to the exemption under sub-section(2) of section 249A of the Companies Act 1985.
- 2) No notice from members requiring an audit, has been deposited under section 249B(2) of the Companies Act 1985, and
- 3) The directors acknowledge their responsibilities for
- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
 - preparing accounts which give a true and fair view of the state of affairs 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 accounts, so far as applicable to the company.
- 4) In preparing these accounts we have relied upon the exemptions of individual accounts provided by section 246 (or schedule 8 para 23) and we have done so on the grounds that the company is entitled to those exemptions as a small company.

Approved by the board on 20th JUNE 1996.

C.M.T.Hermelin



INTERNATIONAL COATING PRODUCTS (UK) LTD
NOTES TO THE ACCOUNTS
FOR THE YEAR TO 31ST DECEMBER 1995

1. PRINCIPAL ACCOUNTING POLICIES

As in previous years, the accounts are prepared in accordance with the historical cost convention. The following is a summary of the more important accounting policies used by the company.

a) **TURNOVER** represents the total value of goods and services (excluding VAT) charged to customers.

b) **TANGIBLE FIXED ASSETS** are stated at cost less accumulated depreciation thereon.

DEPRECIATION is calculated to write off the cost of tangible assets over their respective expected economic life. The annual rate used for this purpose is 25% straight line.

c) **STOCKS** are valued at the lower of cost and net realisable value on a first-in first-out basis. Net realisable value is based on an estimated selling price less any costs expected to be incurred prior to completion and disposal. Due provision will be made for slow moving or obsolete stock.

d) **TAXATION.** No provision has been made for taxation due as the accumulated losses exceed the timing differences.

e) **CASH FLOW STATEMENTS.** The company is exempt from including cash flow statements as part of their financial statements.

2. OPERATING PROFIT(LOSS) IS STATED AFTER CHARGING

	<u>1995</u>	<u>1994</u>
Directors remuneration	21762	19800
Other staff costs	-	-
Auditor`s remuneration	-	-
Depreciation	1481	606

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

Corporation Tax Payable	-	-
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INTERNATIONAL COATING PRODUCTS (UK) LTD

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 1995

4. TANGIBLE FIXED ASSETS

	Plant & Equip	Motor Vehicles	Office Equip.	Totals
	£	£	£	£
Cost at 1/1/95	807	9495	2031	12333
Additions in year	-	-	3891	3891

Cost at 31/12/95	807	9495	5922	16224
	=====			
Depreciation:				
At 1/1/95	806	9494	1743	12043
Provided in year	-	-	1481	1481

At 31/12/95	806	9494	3224	13524
	=====			
Net book value 31/12/95	1	1	2698	2700
Net book value 31/12/94	1	1	288	290

5. STOCKS

	<u>1995</u>	<u>1994</u>
Goods held for resale	16843	-

The directors are of the opinion that there are no significant differences between replacement cost and the book values stated above. Stock is stated net of slow moving and obsolete stock provisions.

6. DEBTORS

	<u>1995</u>	<u>1994</u>
Trade debtors due within one year	36553	-
Other debtors and prepayments	88	1655
	-----	-----
	36641	1655
	=====	=====