

CINPRES GAS INJECTION LIMITED
(FORMERLY CINPRES LIMITED)
FINANCIAL STATEMENTS
FOR
31 DECEMBER 2001

Company Registration Number 01828895



CINPRES GAS INJECTION LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

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CINPRES GAS INJECTION LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr S H Hayes
Mr S G Wain
Mr D D McDougall
Mr A M J Fitchford
Mr S A Jordan
Mr T C Pearson (appointed - 1 September 2001)
Mr N J Pearson (appointed - 1 September 2001)
Mr J M Butler (appointed - 1 September 2001)
Mr B L Brookshaw (resigned - 16 October 2001)

Company secretary

Mrs T Miles

Registered office

Neville House
42-46 Hagley Road
Edgbaston
Birmingham
B16 8PZ

Auditors

KPMG LLP
Chartered Accountants
& Registered Auditor
2 Cornwall Street
Birmingham
B3 2DL

CINPRES GAS INJECTION LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2001

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2001.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the sale of licences and conversion kits for a gas assisted plastic injection moulding process.

The company experienced difficult trading conditions during the year. However the directors consider that the company is soundly based both operationally and financially and anticipate further advances in the forthcoming year. Segmental information is presented in note 2.

In an extraordinary general meeting on 30 August 2001, the company passed a special resolution to changes its name from Cinpres Limited to Cinpres Gas Injection Limited.

On 26th October 2001 the company acquired the trade and assets of Gas Injection Limited, a subsidiary company acquired by BI Group Plc during 2001.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend (2000: £Nil).

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year were as follows:

Mr S H Hayes	
Mr S G Wain	
Mr D D McDougall	
Mr A M J Fitchford	
Mr S A Jordan	
Mr T C Pearson	(Appointed 1 September 2001)
Mr N J Pearson	(Appointed 1 September 2001)
Mr J M Butler	(Appointed 1 September 2001)
Mr B L Brookshaw	(Resigned 16 October 2001)

None of the directors held any interest in the company or any other group companies in the year.

Mr A M J Fitchford resigned on 20 June 2002.

CINPRES GAS INJECTION LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2001

CHARITABLE DONATIONS

UK charitable donations amounted to £123 (2000 : £68). There were no political donations in either the current or previous year.

EMPLOYEE INVOLVEMENT

The company recognises the need to ensure effective communication with employees. All senior management are regularly informed of developments in strategic, financial, commercial and personnel matters to enable them to inform and discuss these issues with employees as appropriate.

EMPLOYMENT OF DISABLED PERSONS

The company's policy is to give full and fair consideration to applications for employment by disabled persons, having regard to the nature of their employment. Suitable opportunities are offered to disabled persons in order to promote their career development.

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies, as described on pages 8 to 9, and then apply them consistently;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- 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. The directors are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CINPRES GAS INJECTION LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2001

AUDITORS

Our auditors KPMG have indicated to the directors that their business has transferred to a limited liability partnership, KPMG LLP. Accordingly KPMG resigned as auditors on 23 May 2002 and the directors thereupon appointed KPMG LLP to fill the vacancy arising. A resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Registered office:
Neville House
42-46 Hagley Road
Edgbaston
Birmingham
B16 8PZ

Signed by order of the directors



MRS T MILES
Company Secretary

Approved by the directors on 29 July 2002

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CINPRES GAS INJECTION LIMITED**

YEAR ENDED 31 DECEMBER 2001

We have audited the financial statements on pages 6 to 18.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

BASIS OF AUDIT 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 December 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

2 Cornwall Street
Birmingham
B3 2DL

KPMG LLP
Chartered Accountants
& Registered Auditor

29 July 2002

CINPRES GAS INJECTION LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2001

	Note	2001 £	2000 £
TURNOVER	2	2,402,440	3,128,592
Cost of sales		<u>(1,590,823)</u>	<u>(1,542,844)</u>
GROSS PROFIT		811,617	1,585,748
Distribution costs		<u>(284,280)</u>	<u>(501,384)</u>
Administrative expenses		<u>(1,324,372)</u>	<u>(1,208,186)</u>
OPERATING LOSS	3	(797,035)	(123,822)
Interest receivable	6	141	-
Interest payable	7	<u>(39,087)</u>	<u>(4,852)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(835,981)</u>	<u>(128,674)</u>
Tax on loss on ordinary activities	8	243,657	(7,758)
LOSS FOR THE FINANCIAL YEAR		<u>(592,324)</u>	<u>(136,432)</u>
Balance brought forward		<u>(2,093,830)</u>	<u>(1,957,398)</u>
Balance carried forward		<u>(2,686,154)</u>	<u>(2,093,830)</u>

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

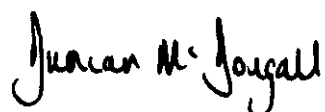
CINPRES GAS INJECTION LIMITED

BALANCE SHEET

31 DECEMBER 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Intangible assets	9	73,218	-
Tangible assets	10	84,567	99,706
Investments	11	143,019	143,019
		<u>300,804</u>	<u>242,725</u>
CURRENT ASSETS			
Stocks	12	669,226	399,732
Debtors	13	3,043,050	1,223,081
Cash at bank and in hand		56,324	92,844
		<u>3,768,600</u>	<u>1,715,657</u>
CREDITORS: Amounts falling due within one year	15	<u>(1,928,923)</u>	<u>(1,114,598)</u>
NET CURRENT ASSETS		<u>1,839,677</u>	<u>601,059</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,140,481</u>	<u>843,784</u>
CREDITORS: Amounts falling due after more than one year	16	<u>(926,633)</u>	<u>(437,612)</u>
NET ASSETS		<u><u>1,213,848</u></u>	<u><u>406,172</u></u>
CAPITAL AND RESERVES			
Called-up equity share capital	20	3,900,002	2,500,002
Profit and Loss Account		<u>(2,686,154)</u>	<u>(2,093,830)</u>
SHAREHOLDERS' FUNDS	21	<u><u>1,213,848</u></u>	<u><u>406,172</u></u>

These financial statements were approved by the directors on the 29 July 2002 and are signed on their behalf by:



MR D D McDOUGALL
DIRECTOR

CINPRES GAS INJECTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

The company has followed the transitional arrangements of FRS 17 "Retirement Benefits" in these financial statements.

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard No. 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of National Industries Group S.A.K. and its cash flows are included within the consolidated cash flow statements in that published company, which are publicly available.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of value added tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Patents and Licence Fees - From 5 to 10 years

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	Lease term
Plant & Machinery	-	From 5 to 10 years
Motor Vehicles	-	4 years

Stocks

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

Work in progress

In respect of work in progress and finished goods cost includes all direct costs of production and the appropriate proportion of production overheads.

Operating lease agreements

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

CINPRES GAS INJECTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

1. ACCOUNTING POLICIES *(continued)*

Operating lease agreements

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

Pension costs

The company contributes to both defined benefit and defined contribution pension schemes.

For the defined contribution scheme, the assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the scheme represents amounts payable to the scheme in respect of the accounting period.

For the defined benefit scheme, benefits are based on final pensionable pay. The assets of the scheme are held separately from those of the company. Contributions to the scheme are charged so as to spread the cost of pensions over the employees working lives with the company.

Taxation

The charge for taxation is based on the loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Foreign currencies

Foreign currency transactions are translated at the rates ruling when they occurred or at rates specified in related forward foreign currency contracts. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date or, if appropriate, at rates specified in related forward exchange contracts and exchange differences arising are dealt with in the profit and loss account.

Investments in subsidiaries

Investments in subsidiary undertakings are stated at cost less provisions for permanent diminution in value.

Group accounts

The company is exempt by virtue of S228(1) of the Companies Act 195 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover by destination is given below:

	2001	2000
	£	£
Europe (including United Kingdom)	882,138	1,182,264
America	736,754	1,380,597
Australia and Far East	783,548	565,731
	<u>2,402,440</u>	<u>3,128,592</u>

CINPRES GAS INJECTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

3. OPERATING LOSS

Operating loss is stated after charging/(crediting):

	2001	2000
	£	£
Amortisation of intangible fixed assets	3,463	4,883
Depreciation of tangible fixed assets	36,497	43,349
Profit on disposal of fixed assets	(11,108)	-
Auditors' remuneration		
- as auditors	4,500	3,480
Operating lease costs:		
- Land and buildings	33,377	26,800
- Plant and equipment	4,227	2,060
Group management charge payable	<u>300,000</u>	<u>233,000</u>

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company (including executive directors) during the financial year amounted to:

	2001	2000
	No.	No.
Distribution staff	2	1
Administrative staff	17	11
	<u>19</u>	<u>12</u>

The aggregate payroll costs of the above were:

	2001	2000
	£	£
Wages and salaries	424,590	353,948
Social security costs	41,791	30,563
Other pension costs	46,332	36,398
	<u>512,713</u>	<u>420,909</u>

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2001	2000
	£	£
Aggregate emoluments	132,263	51,625
Amount paid to third parties in respect of directors' services	100,625	106,251
Company pension contributions to money purchase schemes	1,735	-
Company pension contributions to defined benefit schemes	7,310	6,929
	<u>241,933</u>	<u>164,805</u>

CINPRES GAS INJECTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

5. DIRECTORS' EMOLUMENTS *(continued)*

The number of directors who are accruing benefits under company pension schemes were as follows:

	2001	2000
	No.	No.
Defined benefit schemes	1	1
Money purchase schemes	2	-

Consultancy fees of £100,625 were paid to The Jordan Group of Companies Limited in respect of the services of Mr S A Jordan (2000: £106,251).

Emoluments of highest paid director:

	2001	2000
	£	£
Total emoluments (excluding pension contributions):	53,328	49,303
Company pension contributions to defined benefit pension schemes	7,310	6,929
	<u>60,638</u>	<u>56,232</u>

Benefits are accruing under a defined benefits pension scheme and, at the year end the accrued pension amounted to £5,261 (2000 - £4,476).

6. INTEREST RECEIVABLE

	2001	2000
	£	£
Bank interest receivable	<u>141</u>	<u>-</u>

7. INTEREST PAYABLE

	2001	2000
	£	£
Interest payable on bank borrowings	<u>39,087</u>	<u>4,852</u>

CINPRES GAS INJECTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

8. TAX ON LOSS ON ORDINARY ACTIVITIES

	2001		2000	
	£	£	£	£
In respect of the year:				
Corporation tax based on the results for the year at 30% (2000 - 30%)	(241,581)		(85,199)	
Increase in deferred tax provision	<u>4,358</u>		<u>65,240</u>	
	(237,223)		(19,959)	
Adjustments in respect of previous years:				
Corporation tax	(7,297)		26,512	
Deferred tax	<u>863</u>		<u>1,205</u>	
	(6,434)		27,717	
Tax on loss on ordinary activities	<u>(243,657)</u>		<u>7,758</u>	

CINPRES GAS INJECTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

9. INTANGIBLE FIXED ASSETS

	Patents and Licence Fees £
COST	
At 1 January 2001	46,647
Additions	19,988
Transfer from group company	108,890
At 31 December 2001	<u>175,525</u>
AMORTISATION	
At 1 January 2001	46,647
Charge for the year	3,463
Transfer from group company	52,197
At 31 December 2001	<u>102,307</u>
NET BOOK VALUE	
At 31 December 2001	<u>73,218</u>
At 31 December 2000	<u>-</u>

10. TANGIBLE FIXED ASSETS

	Leasehold Property £	Plant & Machinery £	Motor Vehicles £	Total £
COST				
At 1 January 2001	54,089	440,316	-	494,405
Additions	827	1,729	-	2,556
Disposals	-	(10,000)	(30,000)	(40,000)
Transfer from group company	-	104,957	30,000	134,957
At 31 December 2001	<u>54,916</u>	<u>537,002</u>	<u>-</u>	<u>591,918</u>
DEPRECIATION				
At 1 January 2001	31,431	363,268	-	394,699
Charge for the year	3,636	32,236	625	36,497
Disposals	-	(550)	(24,583)	(25,133)
Transfer from group company	-	77,330	23,958	101,288
At 31 December 2001	<u>35,067</u>	<u>472,284</u>	<u>-</u>	<u>507,351</u>
NET BOOK VALUE				
At 31 December 2001	<u>19,849</u>	<u>64,718</u>	<u>-</u>	<u>84,567</u>
At 31 December 2000	<u>22,658</u>	<u>77,048</u>	<u>-</u>	<u>99,706</u>

CINPRES GAS INJECTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

11. INVESTMENTS

Shares in group undertakings comprise:

	£
COST	
At 1 January 2001 and 31 December 2001	<u>143,019</u>
NET BOOK VALUE	
At 31 December 2001	<u>143,019</u>
At 31 December 2000	<u>143,019</u>

The company owns the entire issued share capital of Cinpres International Trading Co Shanghai Limited, a company registered in China. The principal activity of this company is the sale of licences and conversion kits for a gas assisted plastic injection moulding process.

12. STOCKS

	2001 £	2000 £
Raw materials	494,066	146,393
Work in progress	37,029	76,852
Finished goods	138,131	176,487
	<u>669,226</u>	<u>399,732</u>

13. DEBTORS

	2001 £	2000 £
Trade debtors	664,445	259,227
Amounts owed by group undertakings	1,924,042	599,133
Corporation tax	316,352	244,159
Other debtors	14,076	73,939
Deferred tax (Note 14)	9,158	9,455
Prepayments and accrued income	114,977	37,168
	<u>3,043,050</u>	<u>1,223,081</u>

The debtors above include the following amounts falling due after more than one year:

	2001 £	2000 £
Amounts owed by group undertakings	<u>1,474,866</u>	<u>324,257</u>

The deferred tax balance is due after more than one year.

CINPRES GAS INJECTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

14. DEFERRED TAXATION

	2001 £	2000 £
The movement in the deferred taxation account during the year was:		
Balance brought forward (Note 13)	9,455	75,900
Decrease in account	(297)	(66,445)
Balance carried forward (Note 13)	<u>9,158</u>	<u>9,455</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2001 £	2000 £
Excess of taxation allowances over depreciation on fixed assets	3,461	8,567
Other timing differences	5,697	888
Deferred tax asset	<u>9,158</u>	<u>9,455</u>

All timing differences were fully provided at 31st December 2001 and 31st December 2000.

15. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts	999,465	269,883
Trade creditors	554,147	502,692
Amounts owed to group undertakings	9,403	13,434
Other taxation and social security	24,170	6,078
Other creditors	-	359
Accruals and deferred income	341,738	322,152
	<u>1,928,923</u>	<u>1,114,598</u>

16. CREDITORS: Amounts falling due after more than one year

	2001 £	2000 £
Amounts owed to group undertakings	<u>926,633</u>	<u>437,612</u>

There are no predetermined repayment dates or interest payment arrangements applying to amounts owed to group undertakings. However repayment will not be requested within one year.

CINPRES GAS INJECTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

17. PENSIONS

The company is a member of both the defined benefit and defined contribution pension schemes operated by the group undertaking, BI Group Plc. Contributions to the defined benefit pension scheme are paid in accordance with the recommendations of independent actuaries, based upon the regular cost of providing benefits across the group as a whole. Particulars of the schemes are given in the accounts of BI Group Plc.

The company contributes to certain money purchase private pension schemes. The pension cost for the year in respect of company contributions was £1,963 (2000: £Nil). There were no outstanding accruals or prepayments at 31 December 2001 (2000: £Nil).

At 31 December 2001, total contributions amounting to £3,780 (2000: £2,961) were payable to the schemes and are included within accruals.

Whilst the company continues to account for pension costs in accordance with Statement of Standard Accounting Practice 24 "Accounting for Pension Costs", under FRS 17 "Retirement Benefits" the following transitional disclosures are required.

BI Group Pension Scheme

The company is a member of a group pension scheme which provides benefits based on final pensionable pay. Because the company is unable to identify its share of the schemes assets and liabilities on a consistent and reasonable basis, as permitted by FRS 17 the scheme will be accounted for by the company when the accounting standard is fully adopted by the company as if the scheme was a defined contribution scheme. The last full actuarial valuation was carried out at 31 March 2000 and was updated for FRS 17 purposes to 31 December 2001 by an independent actuary, and showed a deficit of £1.38m.

BI Group Retirement Benefit Plan

The company also contributes to the defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost represents contributions payable by the company to the fund and amounted to £3,273 (2000: £3,801). There was £159 (2000: £318) outstanding at the balance sheet date.

18. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2001 the company had annual commitments under non-cancellable operating leases as set out below.

	2001		2000	
	Land & Buildings £	Other Items £	Land & Buildings £	Other Items £
Operating leases which expire:				
Within 2 to 5 years	<u>49,750</u>	<u>12,224</u>	<u>26,800</u>	<u>-</u>

CINPRES GAS INJECTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

19. CONTINGENCIES

The company is party to the groups cross guarantee banking arrangements in respect of the group's secured 5 year US\$35.0m and EUR 10.3m hedging facilities.

20. SHARE CAPITAL**Authorised share capital:**

	2001 £	2000 £
4,000,000 Ordinary shares of £1 each	<u>4,000,000</u>	<u>3,000,000</u>

Allotted, called up and fully paid:

	2001 £	2000 £
Ordinary share capital brought forward	2,500,002	2,500,002
Issue of ordinary shares	<u>1,400,000</u>	<u>-</u>
3,900,002 Ordinary shares of £1 each	<u>3,900,002</u>	<u>2,500,002</u>

On 26 October 2001 the company increased its authorised share capital by 1,000,000 £1 ordinary shares. On the same date it increased its issued, allotted, called up and fully paid share capital by a further 1,400,000 ordinary £1 shares at par.

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Loss for the financial year	(592,324)	(136,432)
New equity share capital subscribed	<u>1,400,000</u>	<u>-</u>
Net addition/(reduction) to shareholders' equity funds	807,676	(136,432)
Opening shareholders' equity funds	<u>406,172</u>	<u>542,604</u>
Closing shareholders' equity funds	<u>1,213,848</u>	<u>406,172</u>

CINPRES GAS INJECTION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

22. RELATED PARTIES

The company is controlled by BI Plastics Limited, a subsidiary of BI Group Plc. The ultimate controlling party is National Industries Group S.A.K.

The company has taken advantage of the exemption given in Financial Reporting Standard No 8 Related Party Disclosures with respect to inter group disclosures as the group controls at least 90% of the company's voting share capital and the group accounts are publicly available.

Consultancy fees of £100,625 were paid to The Jordan Group of Companies Limited in respect of the services of Mr S A Jordan (2000: £106,251).

On 26 October 2001 the trade and assets of Gas Injection Limited, a fellow subsidiary of BI Group Plc, were transferred to the company. The net assets were transferred at fair value and no fair value adjustments were subsequently made.

Assets transferred:	£
Intangible fixed assets (Note 9)	56,693
Tangible fixed Assets (Note 10)	33,669
Stocks	340,754
Debtors, prepayments & other debtors	574,263
Creditors and accruals	(893,934)
Cash in hand	243
Net assets	<u>111,688</u>
Satisfied by:	
Amounts owed to group undertaking	<u>111,688</u>

23. ULTIMATE PARENT COMPANY

The company is a subsidiary undertaking of BI Plastics Limited which is itself a subsidiary undertaking of BI Group Plc. The ultimate parent company is National Industries Group S.A.K. incorporated in Kuwait. Copies of the financial statements of National Industries Group S.A.K. are available from PO Box 417, 13005 Safat, Kuwait.

The smallest group in which the results of the company are consolidated is that headed by NIC Holdings (UK) PLC, incorporated in the United Kingdom. Copies of the financial statements of this entity are available from Neville House, 42-46 Hagley Road, Edgbaston, Birmingham, B16 8PZ.