

HEATWISE LIMITED
FINANCIAL STATEMENTS

31 DECEMBER 2002

Company Registration Number 103925

Scottish Charity Number: SCO 00500



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COMPANIES HOUSE 11/07/03

HEATWISE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Board of Directors

J Stretton – Chair

S Inch

D Nicoll – Chief Executive

Company Secretary

G Cumberlidge

Registered Office and Principal address

72 Charlotte Street

Glasgow

G1 5DW

Auditors

Scott-Moncrieff

25 Bothwell Street

Glasgow

G2 6NL

Solicitors

Burness

242 West George Street

Glasgow

G2 4QY

Principal Bankers

The Bank of Scotland

Park Circus Place

Glasgow

G3 6AN

HEATWISE LIMITED

DIRECTORS' REPORT

The directors have pleasure in presenting their report and the financial statements of the company 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 at the end of the year and of the surplus or deficit for the year then ended.

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 prudent and reasonable.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 and the Charity Accounts (Scotland) Regulations 1992. The directors 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.

Principal activities and business review

The company did not trade throughout the year, consequently there have been no movements on reserves other than the payment of Gift Aid.

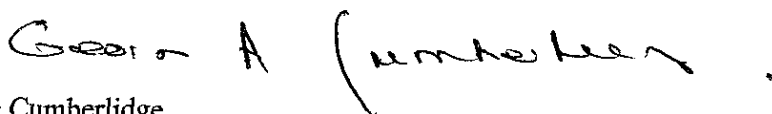
Directors and their interests

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

D McNulty (resigned 23 December 2002)
 D Nicoll
 J Stretton
 S Inch (appointed 20 December 2002)

The company is a wholly owned subsidiary of the Wise Group, a company limited by guarantee, and the interests of group directors are disclosed in the accounts of that company.

Signed on behalf of the directors



G Cumberlandidge
 Company Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS

Year ended 31 December 2002

We have audited the financial statements of Heatwise Limited for the year ended 31 December 2002 set out on pages 4 and 5. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 5.

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 opinions we have formed.

Respective responsibilities of the directors and the auditors

As described in the Statement of Directors Responsibilities 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 that 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 2002 and have been properly prepared in accordance with the Companies Act 1985.


SCOTT-MONCRIEFF

Chartered Accountants
Registered Auditors
25 Bothwell Street
Glasgow G2 6NL

HEATWISE LIMITED

BALANCE SHEET

31 December 2002

	Note	2002 £	2001 £
Investments	2	-	-
Current assets			
Amounts owed by group undertakings		100	890,516
Net assets		<u>100</u>	<u>890,516</u>
Capital and reserves			
Equity share capital	3	100	100
Grant funding reserve	4	-	108,500
General reserve	4	-	781,916
		<u>100</u>	<u>890,516</u>

These financial statements were approved by the directors on
signed on their behalf by:

13/6/2003

and are



Director

The notes on page 5 form part of these financial statements

HEATWISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2002

1. Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and Statement of Recommended Practice Accounting and Reporting for Charities.

Taxation

The company is recognised by the Inland Revenue as a charity.

2 Investments

Heatwise Limited has invested in the whole of the cost of the share capital of Wise Services Limited, a company registered in Scotland. Wise Services Limited was involved in domestic insulation, energy efficiency services and security improvements. It has now ceased trading.

	Investment in subsidiary £
Cost	
At 1 January 2002 and 31 December 2002	50,000
Provision for diminution in value	
At 1 January 2002 and 31 December 2002	(50,000)
Net book value	
At 1 January 2002 and 31 December 2002	-

3. Share capital

	2002 £	2001 £
Authorised, allotted and fully paid share capital:		
100 Ordinary shares of £1 each	100	100

4. Reserves

	Grant Funding Reserve £	General Reserve £
Balance at 1 January 2002	108,500	781,916
Gift Aid	(108,500)	(781,916)
Balance at 31 December 2002	-	-