

BUILDING PRODUCTS ADVICE CENTRE LTD.
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 1999
UNAUDITED



BUILDING PRODUCTS ADVICE CENTRE LTD.

COMPANY INFORMATION

Directors	D.S. Forbes	(Appointed 6 August 1998)
	D.C. Forbes	(Appointed 6 August 1998)
	D. Cumming	(Appointed 6 August 1998)

Secretary	D.S. Forbes
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Company number	SC188006
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Registered office	6 Atholl Crescent, PERTH. PH1 5JN
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Accountants	Morris & Young Chartered Accountants & Registered Auditors, 6 Atholl Crescent, Perth. PH1 5JN.
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BUILDING PRODUCTS ADVICE CENTRE LTD.

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BUILDING PRODUCTS ADVICE CENTRE LTD.

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 1999

The directors present their report and financial statements for the period ended 31 December 1999.

Principal activities

The principal activity of the company was the development and manufacture of a structurally insulated building panel

Incorporation

The company was incorporated on 28 July, 1998 as Oceangust Limited, a private limited company. The company name was changed to Building Products Advice Centre Ltd. on 6 August, 1998.

Directors

The following directors have held office since 28 July 1998:

D.S. Forbes	(Appointed 6 August 1998)
D.C. Forbes	(Appointed 6 August 1998)
D. Cumming	(Appointed 6 August 1998)
Jordans(Scotland) Limited	(Resigned 6 August 1998)
Oswalds of Edinburgh Limited	(Resigned 6 August 1998)

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary of £ 1 each	
	31 December 1999	28 July 1998
D.S. Forbes	8,334	50
D.C. Forbes	8,333	-
D. Cumming	8,333	25

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

By order of the board



D.S. Forbes


Director

26 May 2000

BUILDING PRODUCTS ADVICE CENTRE LTD.

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF BUILDING PRODUCTS ADVICE CENTRE LTD.

As described on the balance sheet you are responsible for the preparation of the accounts for the period ended 31 December 1999, set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.



Morris & Young
Chartered Accountants & Registered Auditors,
6 Atholl Crescent,
Perth.
PH1 5JN.

26 May 2000

BUILDING PRODUCTS ADVICE CENTRE LTD.

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 1999

	Notes	Period ended 31 December 1999 £
Turnover		1,400
Cost of sales		(1,300)
Gross profit		100
Administrative expenses		(19,153)
Other operating income		2,500
Operating loss	2	(16,553)
Interest payable and similar charges		(1,017)
Loss on ordinary activities before taxation		(17,570)
Tax on loss on ordinary activities		-
Loss on ordinary activities after taxation	9	(17,570)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

BUILDING PRODUCTS ADVICE CENTRE LTD.

BALANCE SHEET AS AT 31 DECEMBER 1999

	Notes	1999 £	£
Fixed assets			
Intangible assets	3		24,925
Tangible assets	4		665
			<u>25,590</u>
Current assets			
Debtors	5	18,818	
Cash at bank and in hand		98,684	
		<u>117,502</u>	
Creditors: amounts falling due within one year	6	(22,329)	
		<u></u>	
Net current assets			95,173
Total assets less current liabilities			<u>120,763</u>
Creditors: amounts falling due after more than one year	7		(88,333)
			<u>32,430</u>
Capital and reserves			
Called up share capital	8		35,714
Share premium account	9		14,286
Profit and loss account	9		(17,570)
			<u>32,430</u>
Shareholders' funds - equity interests	10		<u>32,430</u>

BUILDING PRODUCTS ADVICE CENTRE LTD.

BALANCE SHEET AS AT 31 DECEMBER 1999

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) 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 this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 26 May 2000



D.S. Forbes
Director

BUILDING PRODUCTS ADVICE CENTRE LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 1999

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit. The expenditure which has been capitalised is expected to benefit the company for a ten year period.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	25% p.a. straight line
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1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.7 Government Grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Operating loss	1999
	£
Operating loss is stated after charging:	
Depreciation of tangible assets	222
Research and development	400
Operating lease rentals	523
Directors' emoluments	4,146
and after crediting:	
Government grants	2,500

BUILDING PRODUCTS ADVICE CENTRE LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 1999

3 Intangible fixed assets

Development
costs
£

Cost

At 28 July 1998

-

Additions

24,925

At 31 December 1999

24,925

4 Tangible fixed assets

Computer
equipment
£

Cost

At 28 July 1998

-

Additions

887

At 31 December 1999

887

Depreciation

At 28 July 1998

-

Charge for the period

222

At 31 December 1999

222

Net book value

At 31 December 1999

665

5 Debtors

1999

£

Other debtors

18,818

BUILDING PRODUCTS ADVICE CENTRE LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 1999

6	Creditors: amounts falling due within one year	1999
		£
	Bank loans and overdrafts	20,000
	Taxation and social security	964
	Other creditors	1,365
		<hr/>
		22,329
		<hr/>
7	Creditors: amounts falling due after more than one year	1999
		£
	Bank loans	78,333
	Other creditors	10,000
		<hr/>
		88,333
		<hr/>
	Analysis of loans	
	Wholly repayable within five years	108,333
	Included in current liabilities	(20,000)
		<hr/>
		88,333
		<hr/>
	Loan maturity analysis	
	Between one and two years	20,000
	Between two and five years	68,333
		<hr/>

The Bank loan is secured by a floating charge over the undertaking and assets of the company.

8	Share capital	1999
		£
	Authorised	
	50,000 Ordinary of £ 1 each	50,000
		<hr/>
	Allotted, called up and fully paid	
	35,714 Ordinary of £ 1 each	35,714
		<hr/>

During the year 35,714 ordinary shares of £1 each were allotted and fully paid for cash consideration to provide working capital. Of the shares issued 25,000 were issued at par and 10,714 at £2.33 each producing a share premium of £14,286.

BUILDING PRODUCTS ADVICE CENTRE LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 1999

9 Statement of movements on reserves

	Share premium account	Profit and loss account
	£	£
Retained loss for the period	-	(17,570)
Premium on shares issued during the period	14,286	-
	<hr/>	<hr/>
Balance at 31 December 1999	14,286	(17,570)
	<hr/>	<hr/>

During the year 10,714 ordinary £1 shares were issued at £2.33 per share creating the above share premium account.

10 Reconciliation of movements in shareholders' funds

1999
£

Loss for the financial period	(17,570)
Proceeds from issue of shares	50,000
	<hr/>
Net addition to shareholders' funds	32,430
Opening shareholders' funds	-
	<hr/>
Closing shareholders' funds	32,430
	<hr/>

11 Capital commitments

1999
£

At 31 December 1999 the company had capital commitments as follows:

Contracted for but not provided in the financial statements	70,500
	<hr/>

12 Related party transactions

During the period the Company paid consultancy fees of £4,800 to D & H Forbes, a business in which Mr D.S. Forbes and Mr D.C. Forbes are partners.