

CERTIFICATION AND TIMBER GRADING LIMITEDDIRECTORS' REPORT

The Directors present their report to the members, together with the annual accounts for the year ended 31st March, 1999.

Principal Activity

The principal activity of the Company which is unchanged since last year, is assessment and examination regarding the grading of timber.

Directors

The Directors of the Company and their interests in the share capital of the Company were:-

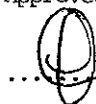
G.I. Sharples	- 1 Ordinary Share of £1
J.C. Coulson (Resigned 31.5.98)	- 1 Ordinary Share of £1

Audit Exemption

The Company has decided not to appoint auditors. Under the provisions of the Act, the Directors have appointed Reporting Accountants whose report is shown on page 2 of the accounts.

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

Approved by the Directors on ...22.11.99 and signed on their behalf by



... (Signed)

Glenn Irving Sharples (Director)



ACCOUNTANTS REPORT
TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS
OF CERTIFICATION AND TIMBER GRADING LIMITED

We report on the accounts for the year ended 31st March, 1999 set out on pages 3 to 5.

Respective responsibilities of directors and reporting accountant

As described on page 5 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 our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our 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 we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our 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 provisions specified in Section 249C(6) of the Act; and
 - (ii) the company satisfied the requirements for the 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 that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1) (a) to (f).

RAMSDEN ARMITAGE & CO.
 CHARTERED CERTIFIED ACCOUNTANTS.
 REPORTING ACCOUNTANTS,
 18 SKIPTON STREET,
 MORECAMBE.

Dated 26/1/2000

CERTIFICATION AND TIMBER GRADING LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1999.

1. Accounting Policies

Cash Flow Statement. The Company qualifies as a small company under the Companies Act 1985. The Directors have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

Turnover. Represents net invoiced sales of goods, excluding VAT.

2. Directors' Remuneration

	<u>Year to</u> <u>31.3.99</u>	<u>Year to</u> <u>31.3.98</u>
Directors Emoluments	-	<u>£6,000</u>

3. Taxation

	<u>As at</u> <u>31.3.99</u>	<u>As at</u> <u>31.3.98</u>
Value Added Tax	344	2,286
Corporation Tax (less ACT Paid)	-	1,848
PAYE on Fees	-	475
	<u>344</u>	<u>4,609</u>

4. Directors' Current Accounts

These carry a nil rate of interest and are repayable on demand.

5. Called-up Share Capital

	<u>As at</u> <u>31.3.99</u>	<u>As at</u> <u>31.3.98</u>
Authorised - £1000 Ordinary Shares of £1 each	<u>£1,000</u>	<u>£1,000</u>
Allotted, called-up and fully paid		
2 Ordinary Shares of £1 each	<u>£2</u>	<u>£2</u>

As at 31.3.98									
10623	CURRENT ASSETS								
1517	Trade Debtors					3,249	75		
-	Cash at Bank					-	-		
12140	Cash in Hand					68	65		
						3,318	40		
	LESS CREDITORS : Amounts due within one year								
	- Trade Creditors	125	23						
4609	Taxation	344	47						
	Directors' Loan Accounts								
	1673 G.I. Sharples			1589.06					
4176	2503 J.C. Coulson			2502.51					
	450 Accruals	4,091	57						
2905	- Bank Overdraft	450	00						
9235		412	49			5,423	76	(2,105	36)
2905	NET CURRENT ASSETS/(LIABILITIES)							(£2,105	36)
	CAPITAL RESERVES								
2	Called-up Share Capital							2	00
2903	Profit and Loss Account							(2,107	36)
2905								(£2,105	36)
	Directors' Statement								
	The directors consider that the company is entitled to exemption from the requirements to have an audit under the provisions of Section 249A(2) of the Companies Act 1985. Shareholders holding 10% or more of the company's share capital have not issued a notice under Section 249B(2) requiring an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for 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 year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.								
	Approved on	22.1.00.							
	 (Director)								
	 Sharples (Secretary)								