



CORGI

Financial Statements

For the year ended 31 March 2003

The Council for Registered Gas Installers (CORGI)
CORGI Services Limited

THE COUNCIL FOR REGISTERED GAS INSTALLERS
(CORGI)

Financial statements for the year ended
31 March 2003

Company Number 2565014

THE COUNCIL FOR REGISTERED GAS INSTALLERS
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FOR THE YEAR ENDED 31 MARCH 2003

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THE COUNCIL FOR REGISTERED GAS INSTALLERS

COMPANY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2003

Registered in England on Number 2565014

Chairman

D C F Latham OBE - Non-Executive

Directors

B Adams	- Service Operations Director
N F Appleby	- Finance Director (resigned 31 August 2002)
S Bratt	- Client Services Director
A Cook OBE	- Non-Executive
S Gutteridge	- Non-Executive
R D Henry	- Chief Executive
K Howard	- Non-Executive
J K Lillicrapp	- Non-Executive
R R Prettie	- Non-Executive
I G Powney	- Finance Director (appointed 19 March 2003)
L C Purser	- Non-Executive

All Non-Executive Directors are members of the audit and the remuneration and appointment committees.

Secretary

P T Caine ACIS

Registered office

1 Elmwood
Chineham Business Park
Crockford Lane
Basingstoke
Hampshire
RG24 8WG

Risk & Insurance Advisors

Aon Limited
Richmond House
College Street
Southampton
SO14 3PS

Auditors

Blueprint Audit Limited
Clifton House
Bunnian Place
Basingstoke
Hampshire
RG21 7JE

Solicitors

Stringer Saul
17 Hanover Square
London
W15 1AV

Bankers

NatWest
PO Box 6451
3 London Street
Basingstoke
Hampshire
RG21 7FP

THE COUNCIL FOR REGISTERED GAS INSTALLERS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2003

The directors present their report and the financial statements for the group and company for the year ended 31 March 2003.

Principal activities

The principal activities of the company continue to be the administration of registration schemes for gas installers and their operatives. Its objective is to ensure quality, safety and competency amongst gas installers and operatives. The wholly owned subsidiary company, CORGI Services Limited has principal activities of incident investigations, seminars and consultancy services, printing and the sale of merchandise.

CORGI Certification Limited, a wholly owned subsidiary has remained dormant throughout the year.

Review of business and future developments

Under the Gas Safety (Installation and Use) Regulations 1989, issued under the Health and Safety at Work Act, all businesses (whether employers or self employed persons) which undertake work on fittings supplied by natural gas or liquefied petroleum gas are required to be registered with a body approved by the HSE.

CORGI's remit is:

- To maintain an up-to-date register of gas installation businesses.
- To ensure that gas installers are aware of the requirement to register.
- To ensure that gas installers on the register are competent.
- To provide gas installers with information, advice and guidance on safe working practices.
- To encourage gas consumers to employ registered installers.
- To inform the public about CORGI's activities and raise awareness of the importance of gas safety.
- To investigate gas safety complaints made against registered and non-registered installers.

CORGI Services Ltd is a subsidiary company providing commercially based services to the gas industry and other organisations. Services include direct merchandising, consultancy, training, incident investigation and specialised card printing.

Results

The consolidated income and expenditure account for the year is set out on page 6.

The group surplus after tax for the year amounted to £363,490.

As CORGI is a company limited by guarantee, no portion of income shall be transferred to the members by way of dividend or other course. This surplus has therefore been transferred to reserves.

Directors

The names of the directors throughout the year appear on the company information sheet on page 1.

Charitable donations

During the year, the group made charitable donations of £3,251 (2002 - £500).

THE COUNCIL FOR REGISTERED GAS INSTALLERS

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2003

Auditors

In accordance with section 391 of the Companies Act 1985, the Directors have decided not to re-appoint Blueprint Audit Limited as auditors of the company. In accordance with section 385 of the Companies Act 1985, a resolution proposing that BDO Stoy Hayward be appointed will be put to the Annual General Meeting.

By Order of the Board

P T Caine ACIS
Secretary

23 July 2003

THE COUNCIL FOR REGISTERED GAS INSTALLERS

CORPORATE GOVERNANCE

FOR THE YEAR ENDED 31 MARCH 2003

The company supports the Combined Code on Corporate Governance which came into effect for all accounting periods ending on or after 23 December 1999. Whilst not obliged to do so as CORGI is not listed on the London Stock Exchange, the company is working towards complying with all aspects of the Combined Code.

The Board of Directors consists of four executive directors and seven non-executive directors, including the Chairman. In addition the Board has formally constituted audit, remuneration and appointment committees. These committees have been established with clear terms of reference. These terms are reviewed annually by the Board and at least once a year the Board receives reports and considers recommendations from these committees.

Business risk

The directors have overall responsibility for managing business risk which includes business systems and internal controls. Risk analysis is carried out regularly and reviewed by the audit committee. Any such system can provide only reasonable and not absolute assurance against material risk or loss. The key features of the risk assessment process covers long term planning and operational activities.

Going concern

The financial statements have been prepared on the going concern basis as the directors, having made enquiries, consider that the company has adequate resources to continue operations for the foreseeable future.

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 group and company and of the surplus or deficit of the group and company for that period. In so doing, the directors are required to:-

- select suitable accounting policies 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and group will continue in business.

The directors are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE COUNCIL FOR REGISTERED GAS INSTALLERS

INDEPENDENT AUDITORS' REPORT FOR THE YEAR ENDED 31 MARCH 2003

We have audited the financial statements on pages 6 to 20 for the year ended 31 March 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

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 directors and auditors

As described in the statement of directors' responsibilities on page 4 the company's directors are responsible for the preparation of the financial statements in accordance with relevant legal and regulatory requirements 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 group and 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 group and company is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report and the Corporate Governance Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of 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 group's and 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 affairs of the group and company as at 31 March 2003 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Blueprint Audit Limited
Registered Auditor

23 July 2003

Clifton House
Bunnian Place
Basingstoke
Hampshire
RG21 7JE

THE COUNCIL FOR REGISTERED GAS INSTALLERS
CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003

	Notes	2003 £	2002 £
TURNOVER	2	15,791,976	13,842,047
Cost of sales		(2,150,484)	(1,833,846)
GROSS SURPLUS		13,641,492	12,008,201
Administrative expenses		(13,429,160)	(11,941,415)
OPERATING SURPLUS	3	212,332	66,786
Exceptional item	4	-	274,703
SURPLUS ON ORDINARY ACTIVITIES BEFORE INTEREST		212,332	341,489
Other interest receivable and similar income	5	318,855	390,123
Interest payable and similar charges	6	-	(1,996)
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		531,187	729,616
Tax on surplus on ordinary activities	7	(167,697)	(263,675)
SURPLUS FOR THE FINANCIAL YEAR	15	363,490	465,941

The income and expenditure 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 income and expenditure account.

THE COUNCIL FOR REGISTERED GAS INSTALLERS
 CONSOLIDATED BALANCE SHEET
 AS AT 31 MARCH 2003

	Notes		2003		2002
		£	£	£	£
Fixed Assets					
Intangible assets	8	-		19,067	
Tangible assets	9	629,177		388,353	
			629,177		407,420
Current Assets					
Stocks	11	152,213		123,329	
Debtors	12	1,096,925		1,124,144	
Investments	13	10,700,000		10,400,000	
Cash at bank and in hand		1,736,972		1,180,031	
		13,686,110		12,827,504	
Creditors: Amounts falling due within one year	14	(10,556,447)		(9,839,574)	
Net current assets			3,129,663		2,987,930
NET ASSETS			3,758,840		3,395,350
CAPITAL AND RESERVES					
Retained surplus	15		3,758,840		3,395,350

The financial statements on pages 6 to 20 were approved by the Board of Directors on 23 July 2003 and signed on its behalf by:

D C F Latham
 Chairman

23 July 2003

THE COUNCIL FOR REGISTERED GAS INSTALLERS

COMPANY BALANCE SHEET

AS AT 31 MARCH 2003

	Notes		2003		2002
		£	£	£	£
Fixed Assets					
Intangible assets	8	-		19,067	
Tangible assets	9	532,811		251,522	
Investments	10	4		4	
		<hr/>		<hr/>	
			532,815		270,593
Current Assets					
Stocks	11	-		-	
Debtors	12	646,818		769,714	
Investments	13	10,700,000		10,400,000	
Cash at bank and in hand		1,676,376		1,124,551	
		<hr/>		<hr/>	
			13,023,194		12,294,265
Creditors: Amounts falling due within one year	14	(11,322,939)		(10,413,204)	
		<hr/>		<hr/>	
Net current assets			1,700,255		1,881,061
NET ASSETS			<hr/>		<hr/>
			2,233,070		2,151,654
			<hr/>		<hr/>
CAPITAL AND RESERVES					
Retained surplus	15		2,233,070		2,151,654
			<hr/>		<hr/>

The financial statements on pages 6 to 20 were approved by the Board of Directors on 23 July 2003 and signed on its behalf by:

D C F Latham
Chairman

23 July 2003

THE COUNCIL FOR REGISTERED GAS INSTALLERS
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2003

	Notes	£	2003	£	2002
Net cash inflow from operating activities	i		1,248,088		230,075
Returns on investments and servicing of finance					
Interest received			318,855		390,123
Taxation					
Corporation tax paid		(245,048)		(132,746)	
Net cash outflow from taxation			(245,048)		(132,746)
Capital expenditure					
Payments to acquire tangible assets		(464,954)		(193,775)	
Receipts from sales of tangible assets		-		6,765	
Net cash outflow from capital expenditure			(464,954)		(187,010)
Net cash inflow before management of liquid resources			856,941		300,442
Management of liquid resources					
Payments into fixed term deposits			(300,000)		(400,000)
Increase/(Decrease) in cash	iii		556,941		(99,558)
			<hr/>		<hr/>

THE COUNCIL FOR REGISTERED GAS INSTALLERS

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2003

	2003 £	2002 £
i. Reconciliation of operating surplus to net cash inflow from operating activities		
Operating surplus	212,332	66,786
Exceptional item	-	274,703
Depreciation of tangible fixed assets	224,130	293,590
Amortisation of intangible fixed assets	19,067	19,061
Profit on sale of fixed assets	-	(6,765)
(Increase)/decrease in stocks	(28,884)	11,629
(Increase)/decrease in debtors	27,219	(400,341)
Increase/(decrease) in creditors due within one year	794,224	(28,588)
 Net cash inflow from operating activities	 1,248,088	 230,075

ii. Analysis of net funds

	1 April 2002 £	Cash Flow £	31 March 2003 £
Net cash:			
Cash at bank and in hand	1,180,031	556,941	1,736,972
Liquid resources	10,400,000	300,000	10,700,000
 11,580,031	 856,941	 12,436,972	

Liquid resources comprise short term deposits with bankers and other investment bonds.

iii. Reconciliation of net cash flow to movement in net funds

	2003 £	2002 £
Increase/(decrease) in cash in the year	556,941	(99,558)
Cash movement from increase in liquid resources	300,000	400,000
 Movement in net funds in the year	 856,941	 300,442
Opening net funds	11,580,031	11,279,589
 Closing net funds	 12,436,972	 11,580,031

THE COUNCIL FOR REGISTERED GAS INSTALLERS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

The accounting policies adopted by the group and company are as follows:-

Basis of accounting

The accounts have been prepared in accordance with applicable Accounting Standards and under the historical cost convention.

Basis of consolidation

The consolidated financial statements include the results of the company and its subsidiary undertakings for the year ended 31 March 2003. Any intra-group profits are eliminated.

As permitted by Section 230 of the Companies Act 1985, the holding company's income and expenditure account has not been included in these financial statements.

Development costs

Costs incurred for the development of the process for the registration of accredited gas operatives were capitalised and are being amortised on a straight line basis over 5 years.

All other development costs are written off in the year of expenditure.

Turnover

Turnover represents fees receivable from the registration scheme and sales excluding Value Added Tax.

Pension contributions

The company operates a defined contribution (money purchase) pension scheme. The assets of the scheme are held separately from those of the company. The pension cost charge represents the contributions payable by the company under the rules of the scheme.

Tangible fixed assets and depreciation

Tangible fixed assets costing less than £1,000 per individual item are written off to the income and expenditure account in the period of acquisition. All other tangible fixed assets are stated at cost less depreciation.

Depreciation is calculated to write off the cost of fixed assets to their estimated residual value over their expected useful lives to the group. The annual depreciation rates and method of calculation are as follows:-

Leasehold properties	- over the initial term of the lease of 15 years
Computer equipment	- 33 1/3% per annum
Office & plant equipment	- 20% per annum
Furniture, fixtures and fittings	- 20% per annum

THE COUNCIL FOR REGISTERED GAS INSTALLERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES (CONTINUED)

Leased assets

Rental costs under operating leases are charged to the income and expenditure account when incurred.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

Current asset investments

Current asset investments represent term deposits with bankers and other investment bonds.

2. TURNOVER

The turnover (which all arose in the UK) can be analysed as follows:

	2003	2002
	£	£
Application and registration fees	11,364,630	10,061,764
Sales and other income	<u>4,427,346</u>	<u>3,780,283</u>
	<u>15,791,976</u>	<u>13,842,047</u>

THE COUNCIL FOR REGISTERED GAS INSTALLERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2003

3. OPERATING SURPLUS

	2003 £	2002 £
a) Operating surplus is stated after charging:		
Depreciation of tangible fixed assets	224,130	293,590
Amortisation of intangible fixed assets	19,067	19,061
Profit on disposal of fixed assets	-	(6,765)
Operating lease charges		
- Land and buildings	267,300	256,725
- Other	470,487	476,948
Auditors' remuneration	13,530	13,135

b) Employees

Staff costs during the year were as follows:

	2003 £	2002 £
Wages and salaries	6,981,367	6,257,840
Social security costs	669,055	664,065
Other pension costs	668,600	602,193
	<hr/>	<hr/>
	8,319,022	7,524,098
	<hr/>	<hr/>

The average monthly number of full time equivalent employees (excluding directors) during the year was 247 (2002: 232).

There were no pension contributions outstanding at the year end.

c) Directors' emoluments

Directors' emoluments for the year were as follows:

	2003 £	2002 £
Aggregate emoluments	395,465	396,734
Compensation for loss of office	30,000	-
Company pension contributions to money purchase schemes	30,078	32,220

Retirement benefits are accruing to four (2002: four) directors under money purchase schemes.

THE COUNCIL FOR REGISTERED GAS INSTALLERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2003

3. OPERATING SURPLUS (CONT'D)

c) Directors' emoluments (continued)

The emoluments of the highest paid director were as follows:

	2003 £	2002 £
Aggregate emoluments and benefits	103,632	98,901
Company pension contributions to money purchase schemes	<u>10,587</u>	<u>10,200</u>

The emoluments of the chairman were as follows:

	£	£
Appointed Chairman	<u>25,285</u>	<u>25,000</u>

Directors emoluments, excluding pension contributions, were within the following ranges:

	2003 No:	2002 No:
£0 - £5,000	1	-
£5,001 - £10,000	-	4
£10,001 - £15,000	6	2
£55,001 - £60,000	-	-
£60,001 - £65,000	-	1
£70,001 - £75,000	2	2
£75,001 - £80,000	1	-
£95,001 - £100,000	-	1
£100,001 - £105,000	1	-
	<u>11</u>	<u>10</u>

4. EXCEPTIONAL ITEM

The exceptional item in 2002 related to a VAT refund.

THE COUNCIL FOR REGISTERED GAS INSTALLERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2003

5. INTEREST RECEIVABLE

	2003	2002
	£	£
Bank interest	<u>318,855</u>	<u>390,123</u>

6. INTEREST PAYABLE

	2003	2002
	£	£
Interest on tax	<u>-</u>	<u>1,996</u>

7. TAXATION

	2003	2002
	£	£
Domestic current year tax		
UK corporation tax	169,598	246,949
Adjustment for prior years	<u>(1,901)</u>	<u>26,726</u>
Current tax charge	167,697	273,675
Deferred tax		
Deferred tax credit	<u>-</u>	<u>(10,000)</u>
	167,697	263,675
Factors affecting the tax charge for the year		
Surplus on ordinary activities before taxation	531,187	729,616
Surplus on ordinary activities before taxation multiplied by standard rate UK corporation tax of 26.3% (2002 : 28.7%)	<u>139,915</u>	<u>209,400</u>
Effects of:		
Non deductible expenses	60,533	32,628
Depreciation	59,036	73,820
Capital allowances	<u>(92,258)</u>	<u>(69,098)</u>
Other tax adjustments	2,372	199
Adjustment for prior year	<u>(1,901)</u>	<u>26,726</u>
	27,782	64,275
Current tax charge	167,697	273,675

THE COUNCIL FOR REGISTERED GAS INSTALLERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003

8. INTANGIBLE FIXED ASSETS

GROUP AND COMPANY	Development Expenditure £
Cost	
At 1 April 2002 and at 31 March 2003	95,306
Amortisation	
At 1 April 2002	76,239
Charge for year	19,067
At 31 March 2003	95,306
Net book values	
At 31 March 2003	-
At 31 March 2002	19,067

THE COUNCIL FOR REGISTERED GAS INSTALLERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2003

9. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Office & computer equipment £	Furniture, fixtures & fittings £	Total £
GROUP				
Cost				
At 1 April 2002	58,973	1,564,873	369,886	1,993,732
Additions	-	196,717	268,237	464,954
 At 31 March 2003	 58,973	 1,761,590	 638,123	 2,458,686
 Depreciation	 	 	 	
At 1 April 2002	22,606	1,303,823	278,950	1,605,379
Charge for year	3,932	189,489	30,709	224,130
 At 31 March 2003	 26,538	 1,493,312	 309,659	 1,829,509
 Net book values	 	 	 	
At 31 March 2003	32,435	268,278	328,464	629,177
At 31 March 2002	36,367	261,050	90,936	388,353
 COMPANY	 	 	 	
Cost				
At 1 April 2002	58,973	1,118,449	352,611	1,530,033
Additions	-	132,911	263,650	396,561
 At 31 March 2003	 58,973	 1,251,360	 616,261	 1,926,594
 Depreciation	 	 	 	
At 1 April 2002	22,606	984,661	271,244	1,278,511
Charge for year	3,932	84,775	26,565	115,272
 At 31 March 2003	 26,538	 1,069,436	 297,809	 1,393,783
 Net book values	 	 	 	
At 31 March 2003	32,435	181,924	318,452	532,811
At 31 March 2002	36,367	133,788	81,367	251,522

THE COUNCIL FOR REGISTERED GAS INSTALLERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2003

10. INVESTMENTS HELD AS FIXED ASSETS

COMPANY	Shares in group undertakings £
Cost	
At 1 April 2002 and at 31 March 2003	4

Details of the subsidiary undertakings are as follows:-

Name of company	Business	Class of Holding	Shares %	Country of Incorporation or registration
CORGI Services Limited	Consultancy & Investigation	Ordinary	100%	England & Wales
CORGI Certification Limited	Dormant	Ordinary	100%	England & Wales

11. STOCKS

	GROUP		COMPANY	
	2003 £	2002 £	2003 £	2002 £
Goods for resale	146,151	118,095	-	-
Work in progress	6,062	5,234	-	-
	152,213	123,329	-	-

12. DEBTORS

	GROUP		COMPANY	
	2003 £	2002 £	2003 £	2002 £
Trade debtors	468,089	534,262	119,035	218,722
Other debtors	369,242	156,104	317,918	123,635
Prepayments and accrued income	259,594	433,778	209,865	427,357
	1,096,925	1,124,144	646,818	769,714

THE COUNCIL FOR REGISTERED GAS INSTALLERS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2003

13. CURRENT ASSET INVESTMENTS
GROUP AND COMPANY

	2003	2002
	£	£
Term deposits with bankers and investment bond	10,700,000	10,400,000

14. CREDITORS

	GROUP		COMPANY	
	2003	2002	2003	2002
Due within one year				
Trade creditors	1,028,898	762,216	717,832	612,647
Amounts owed to subsidiary undertaking	-	-	1,299,840	1,067,793
Corporation tax	169,598	246,949	38,900	26,354
Other tax and social security	224,594	180,061	224,594	180,061
Registration fees received in advance	8,720,058	8,118,791	8,720,058	8,118,791
Accruals and deferred income	413,299	531,557	321,715	407,558
	<hr/>	<hr/>	<hr/>	<hr/>
	10,556,447	9,839,574	11,322,939	10,413,204
	<hr/>	<hr/>	<hr/>	<hr/>

15. RETAINED SURPLUS

	GROUP		COMPANY	
	2003	2002	2003	2002
	£	£	£	£
At 1 April 2002	3,395,350	2,929,409	2,151,654	2,115,994
Surplus for the year	363,490	465,941	81,416	35,660
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2003	3,758,840	3,395,350	2,233,070	2,151,654
	<hr/>	<hr/>	<hr/>	<hr/>

THE COUNCIL FOR REGISTERED GAS INSTALLERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2003

16. LEASE COMMITMENTS

As at 31 March 2003 the group and company had annual commitments under non-cancellable operating leases as follows:-

	2003	2002
	£	£
Land and buildings		
After 5 years	<u>267,300</u>	<u>267,300</u>
Vehicle contract hire		
Within one year	12,769	11,265
Between 2 and 5 years	<u>436,765</u>	<u>460,382</u>
	<u>449,534</u>	<u>471,647</u>

17. PENSION COMMITMENTS

The group operates a pension scheme of the defined contribution (money purchase) type.

The fund is under the control of trustees who have invested it with a UK insurance company. The pension cost charge represents contributions paid by the group and amounted to £668,600 (2002: £602,193).

No contributions were due to the fund at the year-end.

18. DEFERRED TAXATION

At 31 March 2003, the group had a deferred tax asset of £120,000 (company £94,000). This has not been recognised as it is not expected to crystallise in the foreseeable future.

19. ORGANISATION AND CONTROL

The Council is a company incorporated in Great Britain and limited by guarantee, the liability of each member being limited to £100.

20. RELATED PARTY TRANSACTIONS

During the year, a donation of £50,000 (2002 : £nil) was made to GWINTO (Gas and Water Industry National Training Organisation), a company limited by guarantee. B Adams, a director of CORGI, was a director of GWINTO until 21 June 2002.

Financial Statement 2003

CORGI Services Limited

CORGI SERVICES LIMITED
Financial statements for the year ended
31 March 2003
Company No: 03268198

CORGI SERVICES LIMITED
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FOR THE YEAR ENDED 31 MARCH 2003

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**CORGI SERVICES LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2003**

Directors

B Adams	- Service Operations Director
N F Appleby	- Finance Director (resigned 31 August 2002)
S Bratt	- Client Services Director
R D Henry	- Chief Executive
I G Powney	- Finance Director (appointed 19 March 2003)

Secretary

P T Caine ACIS

Registered office

1 Elmwood
Chineham Business Park
Crockford Lane
Basingstoke
Hampshire
RG24 8WG

Company Number

03268198

Auditors

Blueprint Audit Limited
Clifton House
Bunnian Place
Basingstoke
Hampshire
RG21 7JE

Solicitors

Stringer Saul
17 Hanover Square
London
W15 1AV

Bankers

Natwest
PO Box 6451
3 London Street
Basingstoke
Hampshire
RG21 7FP

Risk & Insurance Advisors

Aon Limited
Richmond House
College Street
Southampton
SO14 3PS

CORGI SERVICES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2003

The directors present their report together with the audited financial statements of the company for the year ended 31 March 2003.

Principal activities

The principal activities of the company are incident investigations, seminars and consultancy services, printing, and the sale of merchandise. The company is a wholly owned subsidiary of CORGI – The Council for Registered Gas Installers.

Review of business and future developments

CORGI Services Ltd provides commercially based services to the gas industry and other organisations. Services include direct merchandising, consultancy, training, incident investigation and specialised card printing.

Results

The profit and loss account for the year is set out on page 5.

The profit after tax for the year amounted to £282,074. The directors do not recommend a dividend and propose to transfer the profit to reserves.

Directors and their interests

The names of the directors throughout the year appear on the company information sheet on page 1.

No director has held a beneficial interest in the shares of the company.

Auditors

In accordance with section 391 of the Companies Act 1985, the Directors have decided not to re-appoint Blueprint Audit Limited as auditors of the company. In accordance with section 385 of the Companies Act 1985, a resolution proposing that BDO Stoy Hayward be appointed will be put to the Annual General Meeting.

By order of the Board

P T Caine ACIS
Secretary

23 July 2003

CORGI SERVICES LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2003

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 and of the profit or loss of the company for that year. 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 reasonable and prudent;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements; and
- 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 enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

**CORGI SERVICES LIMITED
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2003**

We have audited the financial statements on pages 5 to 11 for the year ended 31 March 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

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 directors and auditors

As described in the statement of directors' responsibilities on page 3 the company's directors are responsible for the preparation of the financial statements in accordance with relevant legal and regulatory requirements 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 with it.

Basis of 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 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 at 31 March 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Blueprint Audit Limited
Registered Auditor**

23 July 2003

Clifton House
Bunnian Place
Basingstoke
Hampshire
RG21 7JE

CORGI SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003

	Notes	2003 £	2002 £
TURNOVER	2	3,455,982	2,941,811
Cost of sales		(1,440,567)	(1,116,633)
GROSS PROFIT		2,015,415	1,825,178
Administrative expenses		(1,633,590)	(1,219,669)
OPERATING PROFIT	3	381,825	605,509
Other interest receivable and similar income	4	30,137	35,367
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		411,962	640,876
Tax on profit on ordinary activities	5	(129,888)	(210,595)
PROFIT FOR THE FINANCIAL YEAR	11	282,074	430,281

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.

CORGI SERVICES LIMITED
BALANCE SHEET
AS AT 31 MARCH 2003

	Notes	£	2003	£	2002
			£	£	£
Fixed Assets					
Tangible assets	6		96,366		136,831
Current assets					
Stocks	7	152,213		123,329	
Debtors	8	1,749,945		1,422,224	
Cash at bank and in hand		60,596		55,477	
			1,962,754		1,601,030
Creditors: Amounts falling due within one year	9	(533,348)		(494,163)	
Net current assets			1,429,406		1,106,867
NET ASSETS			1,525,772		1,243,698
CAPITAL AND RESERVES					
Called up share capital	10		2		2
Profit and loss account	11		1,525,770		1,243,696
SHAREHOLDERS' FUNDS - EQUITY INTERESTS	11		1,525,772		1,243,698

The financial statements were approved by the Board of Directors on 23 July 2003 and signed on its behalf by:

R D Henry
 Director

23 July 2003

CORGI SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

The accounting policies adopted by the company are as follows:

Accounting convention

The financial statements are prepared in accordance with applicable Accounting Standards and under the historical cost convention.

The company has taken full advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that its results are included in publicly available consolidated accounts.

Turnover

Turnover represents sales invoiced to customers excluding Value Added Tax.

Tangible fixed assets and depreciation

Tangible fixed assets costing less than £1,000 per individual item are written off to the profit and loss account in the year of acquisition. All other 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	33 1/3% per annum
Furniture, fixtures & fittings	20% per annum

Stocks

Stocks are stated at the lower of cost and net realisable value.

Cost allocation

CORGI Services Limited uses the resource of The Council for Registered Gas Installers (CORGI) when performing Third Party Audits and Consultancy. The cost of this resource usage is identified by means of time sheets and then transferring actual costs including other variable costs. Fixed overhead costs and establishment costs are also transferred at actual cost or assessed where appropriate. The costings are reviewed regularly to ensure that they are accurate.

Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

2. TURNOVER

The turnover of the company all arose in the UK.

CORGI SERVICES LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 MARCH 2003

3. OPERATING PROFIT

a) Operating profit is stated after charging:

	2003	2002
	£	£
Auditors' remuneration	3,500	3,000
Depreciation of tangible fixed assets	<u>108,858</u>	<u>151,016</u>

b) All staff are employees of CORGI and a proportion of their time is recharged to CORGI Services Limited. Therefore there are no employees or staff costs within this company.

c) The directors of the company receive their emoluments from CORGI for their services to the group as a whole.

4. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2003	2002
	£	£
Bank interest	<u>30,137</u>	<u>35,367</u>

5. TAXATION

	2003	2002
	£	£
Domestic current year tax		
UK corporation tax	130,698	220,595
Adjustment for prior years	<u>(810)</u>	-
Current tax charge	129,888	220,595
Deferred tax		
Deferred tax release	-	(10,000)
	<u>129,888</u>	<u>210,595</u>

CORGI SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

5. TAXATION (CONTINUED)

	2003 £	2002 £
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	411,962	640,876
Profit on ordinary activities before taxation multiplied by standard rate UK corporation tax of 28.3% (2002 : 30.0%)	116,585	192,262
Effects of:		
Non deductible expenses	2,050	4,535
Depreciation	30,806	45,305
Capital allowances	(18,743)	(21,507)
Adjustment for prior years	(810)	-
	13,303	28,333
Current tax charge	<u>129,888</u>	<u>220,595</u>

6. TANGIBLE FIXED ASSETS

	Computer equipment £	Furniture, fixtures & fittings £	Total £
Cost			
At 1 April 2002	446,424	17,275	463,699
Additions	63,806	4,587	68,393
At 31 March 2003	<u>510,230</u>	<u>21,862</u>	<u>532,092</u>
Depreciation			
At 1 April 2002	319,162	7,706	326,868
Charge for year	104,714	4,144	108,858
At 31 March 2003	<u>423,876</u>	<u>11,850</u>	<u>435,726</u>
Net book values			
At 31 March 2003	<u>86,354</u>	<u>10,012</u>	<u>96,366</u>
At 31 March 2002	<u>127,262</u>	<u>9,569</u>	<u>136,831</u>

CORGI SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

7. STOCK

	2003	2002
	£	£
Goods for resale	146,151	118,095
Work in progress	6,062	5,234
	<hr/>	<hr/>
	152,213	123,329
	<hr/>	<hr/>

8. DEBTORS

	2003	2002
	£	£
Trade debtors	349,054	315,540
Amount owed by parent undertaking	1,299,840	1,067,796
Other debtors	51,322	32,467
Prepayments and accrued income	49,729	6,421
	<hr/>	<hr/>
	1,749,945	1,422,224
	<hr/>	<hr/>

9. CREDITORS

Amounts falling due within one year	2003	2002
	£	£
Trade creditors	11,066	149,570
Corporation tax	30,698	220,595
Accruals and deferred income	91,584	123,998
	<hr/>	<hr/>
	533,348	494,163
	<hr/>	<hr/>

10. SHARE CAPITAL

	2003	2002
	£	£
Authorised:		
1,000 ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
Allotted, called up and fully paid:		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

CORGI SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

11. STATEMENT OF MOVEMENTS IN RESERVES

	Profit and loss account	Shareholders' funds
	£	£
At 1 April 2002	1,243,696	1,243,698
Profit for the financial year	282,074	282,074
	<hr/>	<hr/>
At 31 March 2003	1,525,770	1,525,772
	<hr/>	<hr/>

12 DEFERRED TAXATION

At 31 March 2003, the company had a deferred tax asset of £26,000. This has not been recognised as it is not expected to crystallise in the foreseeable future.

13. ULTIMATE PARENT UNDERTAKING

The ultimate parent company is CORGI – The Council for Registered Gas Installers, which is a company limited by guarantee. Copies of the parent company's accounts are available from the Company Secretary at the company's registered office.

14. RELATED PARTY TRANSACTIONS

The directors have taken advantage of the exemption from disclosing transactions with CORGI as they are consolidated into the group accounts, which are publicly available.

During the year, a donation of £50,000 (2002: £nil) was made to GWINTO (Gas and Water Industry National Training Organisation), a company limited by guarantee. B Adams, a director of CORGI Services Limited, was a director of GWINTO until 21 June 2002.

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