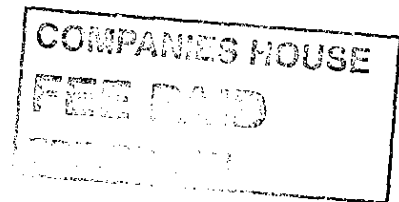


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WAVEMASTER LIMITED
Report and
Financial Statements
For the Year Ended
30 June 2001



SCT S17ZFCQG 0095
COMPANIES HOUSE 23/07/02

SCT SZZ6NBXR 0284
COMPANIES HOUSE 24/06/02

WAVEMASTER LIMITED

REPORT AND FINANCIAL STATEMENTS 2001

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WAVEMASTER LIMITED

DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

J. Coffey
T.P. Nolan
S. McKeown (Non executive)
B. Murphy (Non executive)
G. O'Connor (Non executive)

SECRETARY AND REGISTERED OFFICE

J. Coffey
Rathcairn
Athboy
Co. Meath

AUDITORS

Chapman Flood Mazars
Chartered Accountants
Christchurch Square
Dublin 8

BANKERS

Bank of Ireland
Navan
Co. Meath

SOLICITORS

O'Donnell Sweeney
The Earlsfort Centre
Earlsfort Terrace
Dublin 2

WAVEMASTER LIMITED

REPORT OF THE DIRECTORS

The directors submit their report together with the audited financial statements for the year ended 30 June 2001.

1. PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The activities of the company consist of metal fabrication for export.

2. RESULTS

The company's results are dealt with on page 10.

3. HOLDING COMPANY

The company is a wholly owned subsidiary of Turmec Teoranta. Jinkal Limited, a company registered in the Republic of Ireland, is regarded as the ultimate parent undertaking.

4. EVENTS SINCE THE YEAR END

There have been no significant events affecting the company since the year end.

5. FUTURE DEVELOPMENTS

The development of existing activities will continue to be the focus of attention in the coming year.

6. RESEARCH AND DEVELOPMENT

The company did not engage in research and development activities during the year.

7. DIRECTORS

In accordance with the articles of association S. McKeown and B. Murphy retire by rotation and, being eligible, offer themselves for re-election.

WAVEMASTER LIMITED

REPORT OF THE DIRECTORS

8. INTERESTS OF DIRECTORS AND SECRETARY

The directors had no interest in the share capital of the company at the beginning or end of the year. The beneficial interests of the directors and secretary is through their shareholding in Jinkal Limited, the ultimate parent undertaking.

The directors' interest in that company were as follows at the beginning and end of the year:

	Ordinary shares of IR£1 each
S. McKeown	52
B. Murphy	52
J. Coffey	46
T.P. Nolan	<u>50</u>
	<u>200</u>

9. SAFETY, HEALTH AND WELFARE AT WORK ACT, 1989

It is the policy of the company to ensure the health and welfare of employees by maintaining a safe place and system of work. This policy is based on the requirements of employment legislation, including the Safety, Health and Welfare at Work Act, 1989.

10. EURO

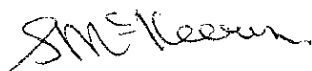
The directors are fully aware of the Euro issues and have taken, or will take the steps necessary in order to enable trading in Euros. The costs of these steps are not material to the company.

11. AUDITORS

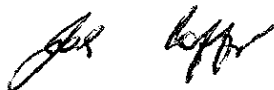
The auditors, Chapman Flood Mazars, Chartered Accountants, have expressed their willingness to be re-appointed in accordance with Section 160(2) of the Companies Act 1963.

Directors

S. McKeown



J. Coffey



12 October 2001

WAVEMASTER LIMITED

STATEMENT OF 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 and of the profit or loss of the company for that period. 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

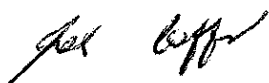
The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 1999. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

S. McKeown



J. Coffey



12 October 2001



WAVEMASTER LIMITED

INDEPENDENT REPORT OF THE AUDITORS

To the shareholders of **WAVEMASTER LIMITED**

We have audited the financial statements of Wavemaster Limited for the year ended 30 June 2001 which comprise the Profit and Loss Account, the Balance Sheet, The Statement of Total Recognised Gains and Losses and the related notes. These financial statements, on pages 8 to 16, have been prepared under the historical cost convention and the accounting policies set out on pages 7 and 8.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and Irish Accounting Standards are set out in the Statement of Directors Responsibilities, on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and Auditing Standards promulgated by the Auditing Practices Board in Ireland and the United Kingdom.

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 Acts. We also report to you whether in our opinion: proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the company; and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the company's balance sheet and profit and loss account are in agreement with the books of account.

We report to shareholders if, in our opinion, any information specified by law regarding directors remuneration and directors' transactions is not given and, where practicable, include such information in our report.

We read the 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. 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 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.



MAZARS

CHAPMAN FLOOD MAZARS
Chartered Accountants

WAVEMASTER LIMITED

INDEPENDENT REPORT OF THE AUDITORS

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 June 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 1999.

We have obtained all the information and explanations we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the Directors' Report, on pages 3 and 4, is consistent with the financial statements.

The company's balance sheet on page 12 shows an excess of liabilities over assets and, in our opinion, on that basis there did not exist at 30 June 2001 a financial situation which under Section 40(1) of the Companies (Amendment) Act 1983 would require the convening of an extraordinary general meeting of the company.

Chapman Flood Mazars

Chapman Flood Mazars
Chartered Accountants
and Registered Auditors
Christchurch Square
Dublin 8

12 October 2001

WAVEMASTER LIMITED

ACCOUNTING POLICIES

a) Basis of financial statements

The financial statements are prepared under the historical cost convention and in accordance with financial reporting standards promulgated in Ireland by the Institute of Chartered Accountants in Ireland.

b) Turnover

Turnover represents the invoiced amounts of goods sold, net of value added tax.

c) Depreciation of tangible assets

Provision is made for depreciation on all tangible assets, at rates calculated to write off the cost, less the estimated residual value, of each asset over its expected useful life as follows:

Equipment	20% reducing balance
Motor vehicle	20% on cost

d) Foreign currencies

The financial statements are expressed in Irish Pounds (IR£).

Assets and liabilities denominated in foreign currencies are translated to Irish pounds at exchange rates ruling at the balance sheet date. Transactions during the period are translated at the rate of exchange ruling at the date of the transaction. The resulting profits or losses are dealt with in the profit and loss account.

e) Pensions

Pension benefits are funded over the employees' period of service by way of contributions to a defined contribution pension scheme. Contributions are charged to the profit and loss account in the period to which they relate.

f) Leased assets

The cost of fixed assets acquired under finance leases is included in fixed assets and written off over the useful life of those assets, while the capital portion of the outstanding lease obligations is included in creditors. The interest portion is written off to the profit and loss account over the term of the primary lease period.

WAVEMASTER LIMITED

ACCOUNTING POLICIES

g) Research and development

Research and development costs are written off in the year in which they are incurred.

h) Investments

Fixed asset investments are stated at cost less provision for diminution in value.

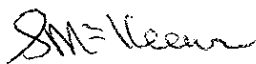
WAVEMASTER LIMITED

PROFIT AND LOSS ACCOUNT

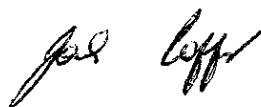
	Notes	Year ended 30 June 2001 IR£	Year ended 30 June 2000 IR£
TURNOVER		1,281,255	1,027,379
Raw materials and consumables		<622,690>	<827,882>
Other external charges		<95,627>	-
Staff costs	1	<411,927>	<58,391>
Depreciation		<4,517>	<5,355>
Other operating charges		<155,611>	<99,704>
OPERATING <LOSS> / PROFIT		<9,117>	36,047
Interest payable and similar charges	2	<5,396>	<365>
<LOSS> / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	<14,513>	35,682
Taxation	4	-	-
<LOSS> / PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<14,513>	35,682
Balance at beginning of year			
As previously stated		<12,429>	187,594
Prior year adjustment		-	<235,705>
As restated		<12,429>	<48,111>
Balance at end of year		<26,942>	<12,429>

Directors

S. McKeown



J. Coffey



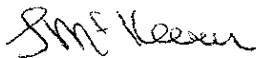
WAVEMASTER LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Year ended 30 June 2001 IR£	Year ended 30 June 2000 IR£
<Loss> / profit for financial year	<14,513>	35,682
Prior year adjustment	—	<235,705>
Total losses and gains recognised since the last annual report	<14,513>	<200,023>

Directors

S. McKeown



J. Coffey



WAVEMASTER LIMITED

BALANCE SHEET

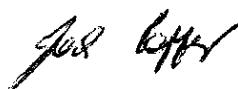
	Notes	30 June 2001 IR£	30 June 2000 IR£
FIXED ASSETS			
Tangible assets	5	<u>7,072</u>	<u>11,589</u>
CURRENT ASSETS			
Debtors	6	23,115	174,362
Cash at bank and in hand		<u>-</u>	<u>14,664</u>
		23,115	189,026
CREDITORS			
Amounts falling due within one year	7	<57,127>	<213,042>
NET CURRENT LIABILITIES			
		<34,012>	<24,016>
		<26,940>	<12,427>
CAPITAL AND RESERVES			
Called up share capital	8	2	2
Profit and loss account		<26,942>	<12,429>
SHAREHOLDERS' DEFICIT - EQUITY			
	9	<26,940>	<12,427>

Directors

S. McKeown



J. Coffey



WAVEMASTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. EMPLOYEES

The average number of persons engaged by the company during the year was as follows:

	2001 No.	2000 No.
Manufacture	28	2
Administration	<u>2</u>	<u>2</u>
	<u>30</u>	<u>4</u>

	Year ended 30 June 2001 IR£	Year ended 30 June 2000 IR£
Wages and salaries	380,623	48,844
Social welfare costs	29,481	5,343
Pension costs	<u>1,823</u>	<u>4,204</u>
	<u>411,927</u>	<u>58,391</u>

The staff are registered employees of Turmec Teoranta.

2. INTEREST PAYABLE AND SIMILAR CHARGES

	Year ended 30 June 2001 IR£	Year ended 30 June 2000 IR£
Bank interest and charges	<u>5,396</u>	<u>365</u>

3. <LOSS> / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	Year ended 30 June 2001 IR£	Yearended 30 June 2000 IR£
<Loss> / profit on ordinary activities before taxation is stated after charging:		
Depreciation of tangible assets	4,517	5,355
Bank interest and charges	5,396	6,000
Auditors remuneration	3,000	3,000
Directors remuneration	<u>-</u>	<u>-</u>

WAVEMASTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

4. TAXATION

There is no charge to corporation tax in the current year due to losses.

5. TANGIBLE ASSETS

	Equipment IR£	Motor Vehicles IR£	Total IR£
Cost			
At 30 June 2000 and at 30 June 2001	<u>23,132</u>	<u>21,826</u>	<u>44,958</u>
Depreciation			
At 30 June 2000	15,276	18,093	33,369
Charge for the year	<u>784</u>	<u>3,733</u>	<u>4,517</u>
At 30 June 2001	<u>16,060</u>	<u>21,826</u>	<u>37,886</u>
Net book values			
At 30 June 2001	<u>7,072</u>	<u>-</u>	<u>7,072</u>
At 30 June 2000	<u>7,856</u>	<u>3,733</u>	<u>11,589</u>

6. DEBTORS

	2001 IR£	2000 IR£
Trade and other debtors	19,015	174,362
Amount due to holding company	<u>4,100</u>	<u>-</u>
	<u>23,115</u>	<u>174,362</u>

7. CREDITORS

Amounts falling due within one year	2001 IR£	2000 IR£
Bank overdraft	6,064	-
Trade and other creditors	51,063	11,091
Amounts owed to holding company	<u>-</u>	<u>201,951</u>
	<u>57,127</u>	<u>213,042</u>

WAVEMASTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

8.	CALLED UP SHARE CAPITAL	2001	2000
		IR£	IR£
	Authorised		
	Ordinary shares of IR£1 each	900	900
	"A" Ordinary shares of IR£1 each	60	60
	"B" Ordinary shares of IR£1 each	40	40
		<u>1,000</u>	<u>1,000</u>
	Allotted, called up and fully paid		
	"A" Ordinary shares of IR£1 each	1	1
	"B" Ordinary shares of IR£1 each	<u>1</u>	<u>1</u>
		<u>2</u>	<u>2</u>
9.	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT	2001	2000
		IR£	IR£
	<Loss> / profit on ordinary activities after taxation	<14,513>	35,682
	Opening shareholders' deficit	<12,427>	<48,109>
	Closing shareholders' deficit	<26,940>	<12,427>
10.	CONTINGENT LIABILITIES		
	Bank borrowings of the holding company are secured by a debenture on all the company's assets and cross guarantees.		
11.	PENSION COSTS		
	The company operates a defined contribution pension scheme for employees in conjunction with Turmec Teoranta.		

WAVEMASTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

12. HOLDING COMPANY

The company is a wholly owned subsidiary of Turmec Teoranta, incorporated in the Republic of Ireland. The company regards Jinkal Limited, a company incorporated in the Republic of Ireland, as its ultimate parent company.

13. RELATED PARTY TRANSACTIONS

The company shares facilities with Turmec Teoranta. Common overheads are apportioned between the companies.

14. APPROVAL OF FINANCIAL STATEMENTS

The directors approved the financial statements on 12 October 2001.