COMPANY REGISTRATION NUMBER 01304607

NEW GUARD COATINGS LIMITED

ABBREVIATED ACCOUNTS

31 MARCH 2005

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COMPANIES HOUSE 27/08/05

LITHGOW PERKINS LLP
Chartered Accountants & Registered Auditors
Crown Chambers
Princes Street
Harrogate

NEW GUARD COATINGS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2005

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NEW GUARD COATINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 4 to 7, together with the financial statements of the company for the year ended 31 March 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 4 to 7 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On 29 June 2005 we reported, as auditors of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 2005, and the full text of our audit report is reproduced on pages 2 to 3 of these financial statements.

Lithgow Perkins

LITHGOW PERKINS LLP
Chartered Accountants
& Registered Auditors

Crown Chambers
Princes Street
Harrogate
29 June 2005

NEW GUARD COATINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NEW GUARD COATINGS LIMITED

YEAR ENDED 31 MARCH 2005

We have audited the financial statements of NEW GUARD COATINGS LIMITED for the year ended 31 March 2005 on pages 6 to 14 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention, as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 8 to 6.

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders 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 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 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NEW GUARD COATINGS LIMITED *(continued)*

YEAR ENDED 31 MARCH 2005

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

LITHGOW PERKINS LLP
Chartered Accountants
& Registered Auditors

Crown Chambers
Princes Street
Harrogate
29 June 2005

NEW GUARD COATINGS LIMITED

ABBREVIATED BALANCE SHEET

31 MARCH 2005

	Note	2005 £	2004 £
FIXED ASSETS	**2**		
Tangible assets		**294,634**	296,571
CURRENT ASSETS			
Stocks		**45,528**	46,688
Debtors		**328,142**	373,944
Cash at bank and in hand		**470**	495
		374,140	421,127
CREDITORS: Amounts falling due within one year	**3**	**356,654**	418,133
NET CURRENT ASSETS		**17,486**	2,994
TOTAL ASSETS LESS CURRENT LIABILITIES		**312,120**	299,565
CREDITORS: Amounts falling due after more than one year	**4**	**9,448**	18,179
PROVISIONS FOR LIABILITIES AND CHARGES		**2,100**	3,300
		300,572	278,086
CAPITAL AND RESERVES			
Called-up equity share capital	**5**	**5,000**	5,000
Revaluation reserve		**136,324**	136,324
Profit and loss account		**159,248**	136,762
SHAREHOLDERS' FUNDS		**300,572**	278,086

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 23 June 2005 and are signed on their behalf by:

G A COOPER

The notes on pages 5 to 7 form part of these abbreviated accounts.

NEW GUARD COATINGS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2005

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Land and buildings	-	Straight line over fifty years
FF & Equipment	-	10% Reducing balance/15% - 33% straight line
Motor Vehicles	-	25% Reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. FIXED ASSETS

	Tangible Assets £
COST OR VALUATION	
At 1 April 2004	**461,157**
Additions	**33,604**
Disposals	**(87,226)**
At 31 March 2005	**407,535**
DEPRECIATION	
At 1 April 2004	**164,586**
Charge for year	**27,438**
On disposals	**(79,123)**
At 31 March 2005	**112,901**
NET BOOK VALUE	
At 31 March 2005	**294,634**
At 31 March 2004	296,571

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2005	2004
	£	£
Bank loans and overdrafts	**9,519**	35,879
Hire purchase agreements	**6,242**	5,315
	15,761	41,194

4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2005	2004
	£	£
Bank loans and overdrafts	-	5,118
Hire purchase agreements	**9,448**	13,061
	9,448	18,179

5. SHARE CAPITAL

Authorised share capital:

	2005	2004
	£	£
10,000 Ordinary shares of £1 each	**10,000**	10,000

Allotted, called up and fully paid:

	2005		2004	
	No	**£**	No	£
Ordinary shares of £1 each	**5,000**	**5,000**	5,000	5,000

6. RELATED PARTY TRANSACTIONS

Included within administrative expenses is a salary of £28,000 (2004 - £25,000) to Mrs M Cooper, a member of P A Cooper's family.

The company paid P A Cooper £4,050 per quarter for the rental of premises that he purchased privately during the year.