

Company Registration No. 1728913 (England and Wales)

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2003



BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
CONTENTS

	Page
Director's report	1
Auditors' report	2
Abbreviated profit and loss account	3
Abbreviated balance sheet	4
Cash flow statement	5
Notes to the cash flow statement	6
Notes to the abbreviated accounts	7 - 14

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 MAY 2003

The director presents his report and financial statements for the year ended 31 May 2003.

Principal activities and review of the business

The principal activities of the company during the period to 31 December 2002 continued to be the design and construction of special purpose machinery and the manufacture of precision components for the engineering industry. On this date, the company sold off its assets and liabilities.

The company has been dormant since 31 December 2002.

Results and dividends

The results for the year are set out on page 3.

Directors

The following directors have held office since 1 June 2002:

D.R. Wills	
M.J. Whitaker	(Resigned 9 December 2002)
P.S. Rudd	(Resigned 30 January 2003)
A.D. Doran	(Resigned 30 January 2003)

Directors' interests

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

	ordinary of £1 each	
	31 May 2003	1 June 2002
D.R. Wills	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Larking Gowen be reappointed as auditors of the company will be put to the Annual General Meeting.

Director's responsibilities

Company law requires the director 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 director is required to:

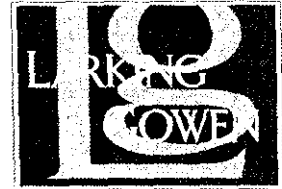
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

By order of the board


.....
L. Donald
Secretary
04.03.2004

**BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
AUDITORS' REPORT TO BUILDWILLOW LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**



**CHARTERED
ACCOUNTANTS**

We have examined the abbreviated accounts set out on pages 2 to 14, together with the financial statements of the company for the year ended 31 May 2003 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with s.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 the law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of the director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with section 246A 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 section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered 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 section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 14 are properly prepared in accordance with that provision.

A handwritten signature in dark ink, appearing to read 'Larking Gowen', written over a dotted line.

Larking Gowen

**Chartered Accountants
Registered Auditors
Norfolk**

10 March 2004

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2003

	Notes	2003 £	2002 £
Gross profit		7,794	969,771
Distribution costs		(25,014)	(38,973)
Administrative expenses		(766,799)	(643,594)
Operating (loss)/profit	3	(784,019)	287,204
Domnick Hunter settlement		(38,298)	-
(Loss)/profit on ordinary activities before interest		(822,317)	287,204
Other interest receivable and similar income		-	583
Interest payable and similar charges	4	(19,290)	(15,009)
(Loss)/profit on ordinary activities before taxation		(841,607)	272,778
Tax on (loss)/profit on ordinary activities	5	-	76,818
(Loss)/profit on ordinary activities after taxation		(841,607)	349,596
Extraordinary items	6	874,454	-
Profit for the year	14	32,847	349,596

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
ABBREVIATED BALANCE SHEET
AS AT 31 MAY 2003

	Notes	2003 £	£	2002 £	£
Fixed assets					
Tangible assets	7		-		946,402
Current assets					
Stocks	8	-		619,607	
Debtors	9	-		1,240,803	
Cash at bank and in hand		-		50	
		-		1,860,460	
Creditors: amounts falling due within one year	10	-		(1,523,688)	
Net current assets			-		336,772
Total assets less current liabilities			-		1,283,174
Creditors: amounts falling due after more than one year	11		-		(1,316,021)
			-		(32,847)
Capital and reserves					
Called up share capital	13		4,000		4,000
Profit and loss account	14		(4,000)		(36,847)
Shareholders' funds - equity interests	15		-		(32,847)

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 04.05.2004



D.R. Wills
Director

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2003

	2003 £	2002 £
Net cash inflow/(outflow) from operating activities	290,230	(273,483)
Returns on investments and servicing of finance		
Interest received	-	583
Interest paid	(19,290)	(11,956)
Net cash outflow for returns on investments and servicing of finance	(19,290)	(11,373)
Taxation	-	10,290
Capital expenditure		
Payments to acquire tangible assets	(2,372)	(34,327)
Receipts from sales of tangible assets	624,317	27,122
Net cash inflow/(outflow) for capital expenditure	621,945	(7,205)
Acquisitions and disposals		
Inter-company loans written off	874,454	-
Domnick Hunter settlement	(38,298)	-
Net cash inflow/(outflow) for acquisitions and disposals	836,156	-
Net cash inflow/(outflow) before management of liquid resources and financing	1,729,041	(281,771)
Financing		
New long term bank loan	23,169	261,254
Other new long term loans	40,000	325,000
Other new short term loans	-	47,879
Repayment of long term bank loan	(284,423)	(313,279)
Repayment of other long term loans	(1,085,000)	-
Repayment of other short term loans	(47,879)	(38,950)
Capital element of hire purchase contracts	(34,686)	(66,035)
Net cash (outflow)/inflow from financing	(1,388,819)	215,869
Increase/(decrease) in cash in the year	340,222	(65,902)

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2003

1	Reconciliation of operating (loss)/profit to net cash inflow/(outflow) from operating activities	2003	2002
		£	£
	Operating (loss)/profit	(784,019)	287,204
	Depreciation of tangible assets	42,457	87,395
	Loss on disposal of tangible assets	282,000	6,664
	Decrease in stocks	619,607	243,444
	Decrease/(increase) in debtors	1,240,803	(659,215)
	Decrease in creditors within one year	(1,110,618)	(315,793)
	Group relief	-	76,818
	Net cash inflow/(outflow) from operating activities	290,230	(273,483)

2	Analysis of net debt	1 June 2002	Cash flow	Other non-cash changes	31 May 2003
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	50	(50)	-	-
	Bank overdrafts	(340,272)	340,272	-	-
		<u>(340,222)</u>	<u>340,222</u>	<u>-</u>	<u>-</u>
	Debt:				
	Finance leases	(34,686)	34,686	-	-
	Debts falling due within one year	(47,879)	47,879	-	-
	Debts falling due after one year	(1,306,254)	1,306,254	-	-
	Net debt	<u>(1,729,041)</u>	<u>1,729,041</u>	<u>-</u>	<u>-</u>

3	Reconciliation of net cash flow to movement in net debt	2003	2002
		£	£
	Increase/(decrease) in cash in the year	340,222	(65,902)
	Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	1,388,819	(215,869)
	Movement in net debt in the year	1,729,041	(281,771)
	Opening net debt	(1,729,041)	(1,447,270)
	Closing net debt	-	(1,729,041)

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

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.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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:

Freehold buildings	2% straight line
Plant and machinery	15% reducing balance
Motor vehicles	25% reducing balance

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

1.7 Long term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2003

1 Accounting policies

(continued)

1.9 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard has not required a prior period adjustment. If the new policy had been in place in the previous period no liability would have been recognised as the conditions for recognition would not have been satisfied.

1.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

2 Cost of sales and net operating expenses

	2003			2002		
	Continuing	Discontinued	Total	Continuing	Discontinued	Total
	£	£	£	£	£	£
Cost of sales	-	1,608,098	1,608,098	-	2,912,884	2,912,884
Distribution costs	-	25,014	25,014	-	38,973	38,973
Administrative expenses	-	766,799	766,799	-	643,594	643,594
	-	2,399,911	2,399,911	-	3,595,451	3,595,451

3 Operating (loss)/profit

	2003	2002
	£	£
Operating (loss)/profit is stated after charging:		
Depreciation of tangible assets	42,457	87,395
Loss on disposal of tangible assets	282,000	6,664
Research and development	7,073	42,535

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2003

4	Interest payable	2003	2002
		£	£
	On bank loans and overdrafts	15,379	(2,859)
	On other loans wholly repayable within 5 years	-	15
	Hire purchase interest	3,911	10,653
	Other interest	-	7,200
		<u>19,290</u>	<u>15,009</u>
5	Taxation	2003	2002
		£	£
	Domestic current year tax		
	Receipt in respect of group relief	-	(76,818)
	Current tax charge	<u>-</u>	<u>(76,818)</u>
	Factors affecting the tax charge for the year		
	(Loss)/profit on ordinary activities before taxation	<u>(841,607)</u>	<u>272,778</u>
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2002: 20.00%)	<u>(159,905)</u>	<u>54,556</u>
	Effects of:		
	Non deductible expenses	-	2,061
	Depreciation add back	61,647	18,812
	Capital allowances	(17,798)	(18,191)
	Tax losses utilised	116,056	(129,685)
	Other tax adjustments	-	(4,371)
		<u>159,905</u>	<u>(131,374)</u>
	Current tax charge	<u>-</u>	<u>(76,818)</u>
	The company has estimated losses of £ nil (2002: £ 236,241) available for carry forward against future trading profits.		
6	Extraordinary items	2003	2002
		£	£
	Inter-company loans written off	<u>874,454</u>	<u>-</u>

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2003

7 Tangible fixed assets

	Freehold buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 June 2002	669,623	786,029	81,100	1,536,752
Additions	1,005	1,367	-	2,372
Disposals	(670,628)	(787,396)	(81,100)	(1,539,124)
At 31 May 2003	-	-	-	-
Depreciation				
At 1 June 2002	86,464	464,353	39,533	590,350
On disposals	(94,631)	(492,581)	(45,595)	(632,807)
Charge for the year	8,167	28,228	6,062	42,457
At 31 May 2003	-	-	-	-
Net book value				
At 31 May 2003	-	-	-	-
At 31 May 2002	583,159	321,676	41,567	946,402

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Motor vehicles £	Total £
Net book values			
At 31 May 2003	-	-	-
At 31 May 2002	99,377	22,302	121,679
Depreciation charge for the year			
31 May 2003	8,696	3,252	11,948
31 May 2002	17,537	7,434	24,971

8 Stocks and work in progress

	2003 £	2002 £
Raw materials and consumables	-	48,264
Work in progress	-	571,343
	-	619,607

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2003

9 Debtors	2003 £	2002 £
Trade debtors	-	917,948
Amounts owed by parent and fellow subsidiary undertakings	-	280,575
Other debtors	-	816
Prepayments and accrued income	-	41,464
	-	1,240,803
10 Creditors: amounts falling due within one year	2003 £	2002 £
Bank loans and overdrafts	-	388,151
Payments received on account	-	393,355
Net obligations under hire purchase contracts	-	24,919
Trade creditors	-	439,476
Amounts owed to parent and fellow subsidiary undertakings	-	13,984
Taxes and social security costs	-	155,738
Other creditors	-	6,895
Accruals and deferred income	-	101,170
	-	1,523,688
Debt due in one year or less	-	47,879

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2003

11 Creditors: amounts falling due after more than one year	2003	2002
	£	£
Bank loans	-	261,254
Net obligations under hire purchase contracts	-	9,767
Amounts owed to group undertakings and undertakings in which the company has a participating interest	-	1,045,000
	<u>-</u>	<u>1,316,021</u>
	<u>-</u>	<u>1,316,021</u>
Analysis of loans		
Not wholly repayable within five years by instalments:		
Up to one year and on demand	-	47,879
Between one and two years	-	50,872
Between two and five years	-	210,382
After five years	-	1,045,000
	<u>-</u>	<u>1,354,133</u>
Included in current liabilities	-	(47,879)
	<u>-</u>	<u>1,306,254</u>
	<u>-</u>	<u>1,306,254</u>
Instalments not due within five years	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Loan maturity analysis		
In more than one year but not more than two years	-	50,872
In more than two years but not more than five years	-	210,382
In more than five years	-	1,045,000
	<u>-</u>	<u>1,306,254</u>
	<u>-</u>	<u>1,306,254</u>
Net obligations under hire purchase contracts		
Repayable within one year	-	30,383
Repayable between one and five years	-	11,763
	<u>-</u>	<u>42,146</u>
Finance charges and interest allocated to future accounting periods	-	(7,460)
	<u>-</u>	<u>34,686</u>
Included in liabilities falling due within one year	-	(24,919)
	<u>-</u>	<u>9,767</u>
	<u>-</u>	<u>9,767</u>

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2003

12 Pension costs

Defined contribution

	2003	2002
	£	£
Contributions payable by the company for the year	23,799	37,999

13 Share capital

	2003	2002
	£	£
Authorised		
4,000 ordinary of £1 each	4,000	4,000
Allotted, called up and fully paid		
4,000 ordinary of £1 each	4,000	4,000

14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 June 2002	(36,847)
Retained profit for the year	32,847
Balance at 31 May 2003	(4,000)

15 Reconciliation of movements in shareholders' funds

	2003	2002
	£	£
Profit for the financial year	32,847	349,596
Opening shareholders' funds	(32,847)	(382,443)
Closing shareholders' funds	-	(32,847)

16 Directors' emoluments

	2003	2002
	£	£
Emoluments for qualifying services	52,500	101,936
Company pension contributions to money purchase schemes	17,500	30,000
	70,000	131,936

BUILDWILLOW LIMITED
(FORMERLY ORWIN AUTOMATION LIMITED)
NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2003

17 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2003 Number	2002 Number
Office and management	10	13
Manufacturing	44	56
	<u>54</u>	<u>69</u>

Employment costs

	£	£
Wages and salaries	930,784	1,663,269
Social security costs	6,195	9,715
Other pension costs	23,799	37,999
	<u>960,778</u>	<u>1,710,983</u>