

Company number: 3457621

ACTION BUILDING AND ELECTRICAL SUPPLIES LIMITED

31ST DECEMBER 2002



**Peter Hunt & Co
Chartered Accountants
Argon House
Argon Mews
Fulham Broadway
London
SW6 1BJ**

ACTION BUILDING AND ELECTRICAL SUPPLIES LIMITED

DIRECTOR

M. Johnston

SECRETARY

Y.A. Johnston

BANKERS

Barclays Bank Plc
Fulham Broadway
LONDON
SW6 1AG

REGISTERED OFFICE

Argon House
Argon Mews
Fulham Broadway
LONDON
SW6 1BJ

ACTION BUILDING AND ELECTRICAL SUPPLIES LIMITED
DIRECTOR'S REPORT

The director presents his report and accounts for the year ended 31st December 2002.

PRINCIPAL ACTIVITY

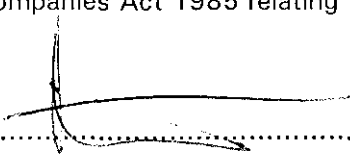
The principal activity of the company is the retail sale of building and electrical supplies.

DIRECTOR AND HIS INTEREST

The director who held office during the period, and his beneficial interest in the share capital of the company, was as follows:

	£1 ordinary shares	
	<u>1st January</u> <u>2002</u>	<u>31st December</u> <u>2002</u>
M. Johnston	2	2

The director's report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.


.....
M. Johnston
Director

Approved by the director on 24-10-03

ACTION BUILDING AND ELECTRICAL SUPPLIES LIMITED
STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the director to prepare accounts 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 year. In preparing those accounts, 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 accounts 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 accounts 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.

PETER HUNT & CO

Chartered Accountants

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF ACTION BUILDING AND ELECTRICAL SUPPLIES LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31st December 2002 set out on pages 5 to 10 and you consider that the company is exempt from an audit under Section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have completed these unaudited accounts in order to assist you to fulfil your statutory responsibility, from the accounting records and information and explanations supplied to us.

Peter Hunt & Co

24.10.03

Date

PETER HUNT I G COOK
TAX MANAGER K A P HIGGINS

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ACTION BUILDING AND ELECTRICAL SUPPLIES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2002

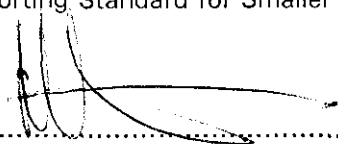
	<u>Note</u>	<u>2002</u>	<u>2001</u>
Turnover		634,956	617,705
Cost of sales		<u>448,613</u>	<u>(415,656)</u>
Gross profit		186,343	202,049
Administrative expenses		<u>169,692</u>	<u>168,247</u>
Operating profit	2	16,651	33,802
Interest payable		(1,282)	(2,274)
Interest receivable	3	<u>52</u>	<u>329</u>
Profit on ordinary activities before taxation		15,421	31,857
Tax on profit on ordinary activities	4	<u>2,922</u>	<u>6,974</u>
Profit on ordinary activities after taxation		12,499	24,883
Dividends paid and proposed		<u>10,000</u>	<u>20,000</u>
Retained profit for the year		2,499	4,883
Retained profit brought forward		<u>75,287</u>	<u>70,404</u>
Retained profit carried forward		<u>£77,786</u>	<u>£75,287</u>

ACTION BUILDING AND ELECTRICAL SUPPLIES LIMITED
BALANCE SHEET
AT 31ST DECEMBER 2002

	<u>Note</u>	<u>2002</u>	<u>2001</u>
Fixed assets	5	4,560	17,582
Current assets			
Stock	6	55,303	55,375
Debtors	7	93,659	82,772
Cash at bank and in hand		<u>30,165</u>	<u>32,064</u>
		179,127	170,211
Creditors: amounts falling due within one year	8	<u>100,869</u>	<u>102,453</u>
Net current assets		<u>78,258</u>	<u>67,758</u>
Total assets less current liabilities		82,818	85,340
Creditors: amounts falling due in more than one year	10	<u>5,030</u>	<u>10,051</u>
Net assets		<u>£77,788</u>	<u>£75,289</u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account		<u>77,786</u>	<u>75,287</u>
Shareholder's funds		<u>£77,788</u>	<u>£75,289</u>

For the financial period ended 31st December 2002 the company was entitled to exemption from audit under section 249A (1) of the Companies Act 1985; and no notice has been deposited under section 249B (2). The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Act, and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the period and of its profit or loss for the financial period in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).



.....
M. Johnston
Director

Approved by the director on24.10.03.....

ACTION BUILDING AND ELECTRICAL SUPPLIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2002

1. ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the period, is set out below.

Basis of accounting

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

Tangible fixed assets

Fixed assets are shown at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

Motor vehicles	5 years
Office equipment	5 years
Furniture and fittings	5 years

Deferred Taxation

Deferred taxation is provided on all material liabilities arising or timing differences. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

Stocks

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

Pension costs

Contributions in respect of a money purchase pension scheme are charged to the profit and loss account in the year which they are payable to the scheme.

ACTION BUILDING AND ELECTRICAL SUPPLIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2002

2. OPERATING PROFIT

Profit on ordinary activities before taxation is stated after charging:-

	<u>2002</u>	<u>2001</u>
Operating lease rentals:		
- land and buildings	£11,000	£11,000
Director's remuneration	£19,467	£13,333
Depreciation	£8,099	£9,764
Pension scheme contributions	£7,200	£6,800

Of the above pension scheme contributions £3,600 (2001 £3,400) were payable to a money purchase scheme in respect of the director.

3. INTEREST RECEIVABLE

	<u>2002</u>	<u>2001</u>
Bank interest receivable	<u>£42</u>	<u>£329</u>

4. TAXATION

Provision for United Kingdom corporation tax at the rate of 14%. (2001 18%).

	<u>2002</u>	<u>2001</u>
Current	3,173	6,271
Prior year	-	703
Deferred tax (see below)	<u>(251)</u>	<u>-</u>
	<u>£2,922</u>	<u>£6,974</u>

The deferred tax credit represents the cumulative excess of depreciation over capital allowances at 19%.

ACTION BUILDING AND ELECTRICAL SUPPLIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2002

5. TANGIBLE FIXED ASSETS

	<u>Motor vehicles</u>	<u>Office equipment</u>	<u>Furniture and fittings</u>	<u>Total</u>
Cost:				
At 1 st January 2002	26,600	16,719	5,500	48,819
Additions	-	75	102	177
Disposals	<u>(8,500)</u>	<u>-</u>	<u>-</u>	<u>(8,500)</u>
At 31 st December 2002	<u>18,100</u>	<u>16,974</u>	<u>5,602</u>	<u>40,496</u>
Depreciation:				
At 1 st January 2002	17,880	9,757	3,600	31,237
Charge for the year	3,619	3,360	1,120	8,099
Eliminated on disposal	<u>(3,400)</u>	<u>-</u>	<u>-</u>	<u>(3,400)</u>
At 31 st December 2002	<u>18,099</u>	<u>13,117</u>	<u>4,720</u>	<u>35,936</u>
Net book value:				
At 31 st December 2002	<u>£1</u>	<u>£3,677</u>	<u>£882</u>	<u>£4,560</u>
At 31 st December 2001	<u>£8,270</u>	<u>£6,962</u>	<u>£1,900</u>	<u>£17,582</u>

6. STOCK

	<u>2002</u>	<u>2001</u>
Stock of goods for resale	<u>£55,303</u>	<u>£55,375</u>

An unquantified amount of stock has been supplied under reservation of title (see note 9)

7. DEBTORS

	<u>2002</u>	<u>2001</u>
Trade debtors	90,819	79,965
Sundry debtors and prepayments	<u>2,840</u>	<u>2,807</u>
	<u>£93,659</u>	<u>£82,772</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2002</u>	<u>2001</u>
Current instalments on bank loan	4,996	4,502
Trade creditors (see note 9)	57,525	60,564
Corporation tax	2,929	6,271
Other taxation and social security	7,910	8,755
Sundry creditors and accruals	<u>27,510</u>	<u>22,361</u>
	<u>£100,870</u>	<u>£102,453</u>

ACTION BUILDING AND ELECTRICAL SUPPLIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2002

9. RESERVATION OF TITLE

The trading terms of a significant number of trade creditors state that goods are supplied subject to a reservation of title. The number of trade creditors who have reserved title to goods held as stock cannot reasonably be quantified. The director considers £40,000 (2001 £40,000) to be a reasonable estimate of the extent to which creditors are so protected.

10. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	<u>2002</u>	<u>2001</u>
Non current instalments on bank loan	<u>£5,030</u>	<u>£10,051</u>

The bank loan is repayable by instalments. £4,994 is repayable in 2004 with the balance repayable in 2005.

11. CALLED-UP SHARE CAPITAL

	<u>2002</u>	<u>2001</u>
Authorised:		
10,000 ordinary shares of £1 each	<u>£10,000</u>	<u>£10,000</u>
Allotted, called-up and fully-paid:		
2 ordinary shares of £1 each	<u>£2</u>	<u>£2</u>

12. CONTROLLING PARTY

The controlling party is Mr M. Johnston by virtue of his 100% interest in the issued ordinary share capital in the company.

13. RELATED PARTY TRANSACTIONS

The controlling party has an interest free loan account with the company which was in his favour throughout the year.

14. FINANCIAL COMMITMENTS

The company has a lease in respect of the business premises it occupies. The lease, which expires on 25th December 2010, provides for rent reviews every five years. The current annual rent is £11,000.