

Company Registration No. 4195607 (England and Wales)

GOWLAND AND DAWSON LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004



GOWLAND AND DAWSON LIMITED

COMPANY INFORMATION

Directors	S Dawson M J Dawson
Secretary	J Dawson
Company number	4195607
Registered office	55 Kirkstone Avenue Sunderland Tyne & Wear SR5 1NH
Accountants	Haines Watts Sterling House, 22 St Cuthberts Way Darlington Co Durham DL1 1GB

GOWLAND AND DAWSON LIMITED

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GOWLAND AND DAWSON LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2004

The directors present their report and financial statements for the year ended 30 June 2004.

Principal activities

The principal activity of the company was that of contracting and sub-contracting within the construction industry.

Directors

The following directors have held office since 1 July 2003:

S Dawson
M J Dawson

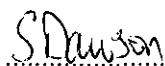
Directors' interests

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

	Ordinary shares of £ 1 each	
	30 June 2004	1 July 2003
S Dawson	50	50
M J Dawson	50	50

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board


.....

S Dawson

Director

28/01/05
.....

GOWLAND AND DAWSON LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF GOWLAND AND DAWSON LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30 June 2004, set out on pages 3 to 11 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

This report is made to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors that we have done so, and state those matters that we have agreed to state to them in this 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 board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

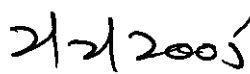
You have acknowledged on the balance sheet for the year ended 30 June 2004 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Haines Watts

Chartered Accountants


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Sterling House, 22 St Cuthberts Way
Darlington
Co Durham
DL1 1GB

GOWLAND AND DAWSON LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2004

	Notes	2004 £	2003 £
Turnover		631,215	585,988
Cost of sales		(366,870)	(361,216)
Gross profit		264,345	224,772
Administrative expenses		(71,844)	(68,219)
Operating profit	2	192,501	156,553
Other interest receivable and similar income	3	1,357	671
Interest payable and similar charges	4	(502)	(502)
Profit on ordinary activities before taxation		193,356	156,722
Tax on profit on ordinary activities	5	(37,012)	(31,528)
Profit on ordinary activities after taxation		156,344	125,194
Dividends		(104,000)	(104,400)
Retained profit for the year	13	52,344	20,794

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.

GOWLAND AND DAWSON LIMITED

BALANCE SHEET AS AT 30 JUNE 2004

	Notes	2004 £	£	2003 £	£
Fixed assets					
Intangible assets	6	12,750		13,500	
Tangible assets	7	16,856		19,542	
			29,606		33,042
Current assets					
Stocks		2,140		5,135	
Debtors	8	191,465		161,726	
Cash at bank and in hand		59,496		93,080	
			253,101		259,941
Creditors: amounts falling due within one year	9	(90,772)		(150,168)	
Net current assets			162,329		109,773
Total assets less current liabilities			191,935		142,815
Creditors: amounts falling due after more than one year	10	(1,662)		(4,987)	
Provisions for liabilities and charges	11	(1,326)		(1,224)	
			188,947		136,604
Capital and reserves					
Called up share capital	12	100		100	
Profit and loss account	13	188,847		136,504	
Shareholders' funds - equity interests	14	188,947		136,604	

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 28/01/05

S. Dawson

S Dawson
Director

M J Dawson

M J Dawson
Director

GOWLAND AND DAWSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.4 Tangible fixed assets and depreciation

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:

Plant and machinery	15% Reducing balance
Fixtures, fittings & equipment	25% 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.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.7 Deferred taxation

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.

2 Operating profit

	2004	2003
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	750	750
Depreciation of tangible assets	5,013	6,176
Directors' emoluments	9,200	9,200

3 Investment income

	2004	2003
	£	£
Bank interest	1,357	671

GOWLAND AND DAWSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2004

4	Interest payable	2004	2003
		£	£
	Included in interest payable is the following amount:		
	Hire purchase interest	502	502
		<u>502</u>	<u>502</u>
5	Taxation	2004	2003
		£	£
	Domestic current year tax		
	U.K. corporation tax	36,846	30,304
	Adjustment for prior years	64	-
		<u>36,910</u>	<u>30,304</u>
	Current tax charge	36,910	30,304
	Deferred tax		
	Deferred tax charge/credit current year	102	1,224
		<u>102</u>	<u>1,224</u>
		<u>37,012</u>	<u>31,528</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	193,356	156,722
		<u>193,356</u>	<u>156,722</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00%	36,738	29,777
		<u>36,738</u>	<u>29,777</u>
	Effects of:		
	Non deductible expenses	68	41
	Depreciation	1,095	1,316
	Capital allowances	(1,055)	(830)
	Adjustments to previous periods	64	-
		<u>172</u>	<u>527</u>
	Current tax charge	36,910	30,304
		<u>36,910</u>	<u>30,304</u>

GOWLAND AND DAWSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2004

6 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 July 2003 & at 30 June 2004	15,000
Amortisation	
At 1 July 2003	1,500
Charge for the year	750
At 30 June 2004	2,250
Net book value	
At 30 June 2004	12,750
At 30 June 2003	13,500

GOWLAND AND DAWSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2004

7 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 July 2003	2,980	-	27,015	29,995
Additions	-	2,327	-	2,327
	<u>2,980</u>	<u>2,327</u>	<u>27,015</u>	<u>32,322</u>
At 30 June 2004	2,980	2,327	27,015	32,322
Depreciation				
At 1 July 2003	827	-	9,626	10,453
Charge for the year	323	343	4,347	5,013
	<u>1,150</u>	<u>343</u>	<u>13,973</u>	<u>15,466</u>
At 30 June 2004	1,150	343	13,973	15,466
Net book value				
At 30 June 2004	<u>1,830</u>	<u>1,984</u>	<u>13,042</u>	<u>16,856</u>
At 30 June 2003	<u>2,153</u>	<u>-</u>	<u>17,389</u>	<u>19,542</u>

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

	Motor vehicles £
Net book values	
At 30 June 2004	<u>6,390</u>
At 30 June 2003	<u>8,520</u>
Depreciation charge for the year	
At 30 June 2004	<u>2,130</u>
At 30 June 2003	<u>2,840</u>

GOWLAND AND DAWSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2004

8	Debtors	2004 £	2003 £
	Trade debtors	187,962	161,237
	Other debtors	3,503	489
		<u>191,465</u>	<u>161,726</u>
9	Creditors: amounts falling due within one year	2004 £	2003 £
	Net obligations under hire purchase contracts	3,325	3,325
	Trade creditors	26,012	28,923
	Taxation and social security	59,496	42,730
	Other creditors	1,939	75,190
		<u>90,772</u>	<u>150,168</u>
10	Creditors: amounts falling due after more than one year	2004 £	2003 £
	Net obligations under hire purchase contracts	<u>1,662</u>	<u>4,987</u>
	Net obligations under hire purchase contracts		
	Repayable within one year	3,325	3,325
	Repayable between one and five years	1,662	4,987
		<u>4,987</u>	<u>8,312</u>
	Included in liabilities falling due within one year	<u>(3,325)</u>	<u>(3,325)</u>
		<u>1,662</u>	<u>4,987</u>

GOWLAND AND DAWSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2004

11 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 July 2003	1,224
Profit and loss account	102
Balance at 30 June 2004	1,326

The deferred tax liability is made up as follows:

	2004 £	2003 £
Accelerated capital allowances	1,326	1,224

12 Share capital

	2004 £	2003 £
Authorised		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2003	136,503
Retained profit for the year	52,344
Balance at 30 June 2004	188,847

GOWLAND AND DAWSON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2004

14 Reconciliation of movements in shareholders' funds	2004 £	2003 £
Profit for the financial year	156,344	125,194
Dividends	(104,000)	(104,400)
	52,344	20,794
Proceeds from issue of shares	-	98
Net addition to shareholders' funds	52,344	20,892
Opening shareholders' funds	136,604	115,712
Closing shareholders' funds	188,947	136,604