

Simul Register

COMPANY NUMBER : 04844708

A.W. CHAMPION TIMBER LIMITED
DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER, 2004



A.W. CHAMPION TIMBER LIMITED

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31ST DECEMBER, 2004

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A.W. CHAMPION TIMBER LIMITED

COMPANY INFORMATION

Directors

M.G. Jessop (Non executive chairman)

P.W.A. Champion

M.E. Saunders

Secretary

S.P. Bowden

Registered Office

Champion House

Burlington Road

New Malden

Surrey KT3 4NB

Auditors

AGN Shipleys

10 Orange Street

Haymarket

London

WC2H 7DQ

A.W. CHAMPION TIMBER LIMITED

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the period from the date of incorporation on 24th July, 2003 to 31st December, 2004.

INCORPORATION AND PRINCIPAL ACTIVITY

The principal activity of the company during the period was to act as a holding company for A W Champion Ltd.

RESULTS

The company did not trade during the year and hence no profit or loss arises.

DIRECTORS

The directors in office in the period and their interests in the company's issued ordinary share capital were as follows:-

	Ordinary Shares of 1p each	
	As at 31st December , 2004	As at appointment
C.S.B. Champion	36,398	-
P.W.A. Champion	28,764	-
M.G. Jessop	-	-
M.E. Saunders	-	-

The director on incorporation resigned on 31 July 2003 when the directors named above were appointed.

C.S.B. Champion retired as director on 26th August 2004.

DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 1985 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.

The directors consider that in preparing the financial statements the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates and confirm that all applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. 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.

AUDITORS

AGN Shipleys have been appointed as auditors in respect of this period. A resolution to reappoint AGN Shipleys as auditors will be proposed at the next Annual General Meeting.

By Order of the Board


S.P. Bowden
 Secretary
 25th May 2005

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF**A.W. CHAMPION TIMBER LIMITED**

We have audited the financial statements of A.W. Champion Timber Limited for the period ended 31st December, 2004, which comprise the Balance Sheet, the cash flow statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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 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 on material inconsistencies with the Financial Statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

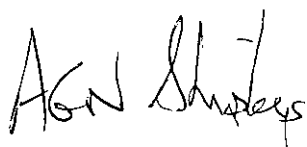
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
A.W. CHAMPION TIMBER LIMITED – CONTINUED**

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December, 2004 and have been properly prepared in accordance with the Companies Act 1985.



AGN Shipley
Chartered Accountants and
Registered Auditors
10 Orange Street
Haymarket
London
WC2H 7DQ

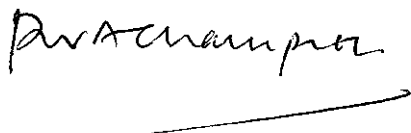
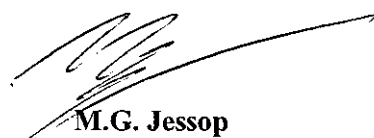
26th May 2005

A.W. CHAMPION TIMBER LIMITED**BALANCE SHEET****AS AT 31ST DECEMBER, 2004**

	Notes	£	2004 £
FIXED ASSETS			
Investments	4		32,581
CURRENT ASSETS			
Amounts owed by subsidiary company	4	114	
Cash at bank		<u>212</u>	
NET CURRENT ASSETS			<u>326</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£32,907</u>
CAPITAL AND RESERVES			
Called up share capital	5		652
Share premium account	6		<u>32,255</u>
SHAREHOLDERS' FUNDS			<u>£32,907</u>

Approved by the Board on 25th May 2005

P.W.A. Champion
Director

M.G. Jessop
Director

The notes on pages 7 and 8 form part of these financial statements.

A.W. CHAMPION TIMBER LIMITED

CASH FLOW STATEMENT

AS AT 31ST DECEMBER, 2004

	2004	
	£	£
Net cash inflow/(outflow) from operating activities		
Operating profit	-	
(Increase) in debtors	<u>(114)</u>	
		(114)
Capital expenditure and financial investment		
Purchase of investments	(32,581)	
Less: Issue of shares in exchange for investments	<u>32,581</u>	
Net cash (outflow)/inflow from capital expenditure and financial investment		<u>-</u>
Cash outflow before management of liquid resources and financing management of liquid resources		(114)
Net cash inflow from financing		
Issue of shares for cash		326
Increase in cash for the period		<u>£212</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS		
Increase in cash during period and change in net funds resulting from cash flows		
Cash inflow during the period and bank Balance at 31 st December 2004		212
Net funds at 1st January, 2004		<u>-</u>
Net funds at 31st December, 2004		<u>£212</u>

The notes on pages 7 and 8 form part of these financial statements

A.W. CHAMPION TIMBER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER, 2004

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention.

1.1 Acquisition of Investment

The company acquired an investment during the period which was transferred by means of a reorganisation. The investment has been brought into these financial statements using the principles of Merger Accounting and is recorded at the carrying value when it was transferred.

1.2 Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

2. OPERATING RESULTS

The company did not have any income or expenditure during the year so hence no Profit and Loss Account has been prepared.

3. DIVIDENDS

A dividend of £184,500 will be paid during 2005 which will be financed by a dividend that will be received from its subsidiary undertaking, A.W. Champion Limited.

4. INVESTMENTS

	2004 £
Addition at transfer value	32,581
At 31 st December 2004	<u>32,581</u>

The investment comprises 100% of the issued ordinary share capital of A.W. Champion Limited a company incorporated in England.

A.W. Champion Limited carries on the business of timber merchants, importers and sellers of allied products and the financial information for the year to 31st December, 2004 for that company and its subsidiaries is:-

Group total reserves	£3,803,437
Group profit after taxation	£541,203

A.W. CHAMPION TIMBER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER, 2004

5. CALLED UP SHARE CAPITAL**2004****Authorised**

100,000 ordinary shares of 1p each

£1,000

Allotted, called up and fully paid

65,162 ordinary shares of 1p each

£652

6. SHARE PREMIUM

Premium on issue of shares

£32,255

During the period, 32,581 Ordinary 1p shares were issued in exchange for the investment detailed in note 4. This resulted in a share premium of £32,255.

7. CONTROLLING PARTY

The company is under the control of Mr C.S.B Champion as the majority shareholder.

8. CONTINGENT LIABILITY

The company has an overdraft facility secured by a fixed and floating charge over the assets of the company and its subsidiary, A.W. Champion Ltd. Cross bank guarantees also exist between Group companies whereby A.W. Champion Timber Limited has granted an unlimited guarantee for the bank debts of the subsidiary. The subsidiary has granted a guarantee for £750,000 for the debts of the holding company.