

Abbreviated Financial Statements for the Year Ended 31 January 2003

for

D M Geddes & Sons Ltd



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COMPANIES HOUSE 18/11/03

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for the Year Ended 31 January 2003**

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D M Geddes & Sons Ltd

**Company Information
for the Year Ended 31 January 2003**

DIRECTORS:

Mr W Falconer
Mrs I Falconer
Mr K W Falconer
Mrs K Cameron
Mr R Mackenzie
Mr S Allan

SECRETARY:

Mrs K Cameron

REGISTERED OFFICE:

Sinclair Lane
Halkirk
CAITHNESS
KW12 6YF

REGISTERED NUMBER:

32829 (Scotland)

AUDITORS:

Reid and Fraser
Registered Auditors
Chartered Accountants
15 Princes Street
Thurso
Caithness
KW14 7BQ

SOLICITORS:

Young, Robertson & Co
29 Traill Street
Thurso
Caithness
KW14 8EQ

D M Geddes & Sons Ltd

Report of the Directors for the Year Ended 31 January 2003

The directors present their report with the financial statements of the company for the year ended 31 January 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of building contractors.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

Dividends of £57,770 were paid during the year. The directors do not propose to declare a final dividend.

DIRECTORS

The directors during the year under review were:

Mrs M H Geddes	- deceased 10.3.02
Mr W Falconer	
Mrs I Falconer	
Mr K W Falconer	
Mrs K Cameron	
Mr D Mackay	- resigned 28.6.02
Mr R Mackenzie	
Mr S Allan	- appointed 28.6.02

The beneficial interests of the directors holding office on 31 January 2003 in the issued share capital of the company were as follows:

	31.1.03	1.2.02 or date of appointment if later
Ordinary £1 shares		
Mr W Falconer	3,002	3,002
Mrs I Falconer	750	750
Mr K W Falconer	1,255	1,255
Mrs K Cameron	770	770
Mr R Mackenzie	-	-
Mr S Allan	-	-

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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 directors are 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 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 financial statements 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.

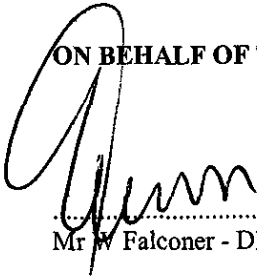
D M Geddes & Sons Ltd

**Report of the Directors
for the Year Ended 31 January 2003**

AUDITORS

A resolution in accordance with section 386 of the Companies Act 1985 to dispense with the obligation to appoint auditors annually was passed on 22 July 1996 and accordingly Reid & Fraser shall be deemed reappointed.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'W Falconer', written over a dotted line.

Mr W Falconer - DIRECTOR

Dated: 4.8.03 .

D M Geddes & Sons Ltd

**Report of the Independent Auditors to
D M Geddes & Sons Ltd
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages five to seventeen, together with the full financial statements of the company for the year ended 31 January 2003 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements 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 consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to seventeen are properly prepared in accordance with that provision.



Reid and Fraser
Registered Auditors
Chartered Accountants
15 Princes Street
Thurso
Caithness
KW14 7BQ

Dated: 7.8.03

D M Geddes & Sons Ltd

**Abbreviated Profit and Loss Account
for the Year Ended 31 January 2003**

		<u>2003</u>	<u>2002</u>
	Notes	£	£
GROSS PROFIT		604,814	659,401
Administrative expenses		<u>541,157</u>	<u>566,302</u>
OPERATING PROFIT	3	63,657	93,099
Interest receivable and similar income		<u>-</u>	<u>2,154</u>
		63,657	95,253
Interest payable and similar charges	4	<u>20,929</u>	<u>12,971</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		42,728	82,282
Tax on profit on ordinary activities	5	<u>8,729</u>	<u>20,390</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		33,999	61,892
Dividends	6	<u>57,770</u>	<u>15,200</u>
		(23,771)	46,692
Retained profit brought forward		<u>693,257</u>	<u>646,565</u>
RETAINED PROFIT CARRIED FORWARD		<u>£669,486</u>	<u>£693,257</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

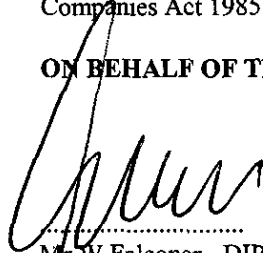
D M Geddes & Sons Ltd

**Abbreviated Balance Sheet
31 January 2003**

		2003		2002	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		650,200		605,721
Investments	8		129,100		129,100
			779,300		734,821
CURRENT ASSETS:					
Stocks	9	508,669		138,411	
Debtors	10	900,002		584,382	
Cash at bank and in hand		391		16,330	
		1,409,062		739,123	
CREDITORS: Amounts falling due within one year	11	1,370,006		612,443	
NET CURRENT ASSETS:			39,056		126,680
TOTAL ASSETS LESS CURRENT LIABILITIES:			818,356		861,501
CREDITORS: Amounts falling due after more than one year	12		(81,100)		(97,601)
PROVISIONS FOR LIABILITIES AND CHARGES:	15		(39,491)		(39,491)
ACCRUALS AND DEFERRED INCOME:	16		(16,279)		(19,152)
			£681,486		£705,257
CAPITAL AND RESERVES:					
Called up share capital	17		5,777		5,777
Other reserves	18		6,223		6,223
Profit and loss account			669,486		693,257
SHAREHOLDERS' FUNDS:	20		£681,486		£705,257

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

ON BEHALF OF THE BOARD:



Mr W Falconer - DIRECTOR

Approved by the Board on 4.8.03

The notes form part of these financial statements

D M Geddes & Sons Ltd

**Cash Flow Statement
for the Year Ended 31 January 2003**

		2003		2002	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		4,987		105,442
Returns on investments and servicing of finance	2		(20,929)		(10,817)
Taxation			(20,383)		15,839
Capital expenditure	2		(122,758)		(69,182)
Equity dividends paid			(57,770)		(15,200)
			(216,853)		26,082
Financing	2		(34,991)		(35,532)
Decrease in cash in the period			£(251,844)		£(9,450)
Reconciliation of net cash flow to movement in net debt	3				
Decrease in cash in the period			(251,844)		(9,450)
Cash outflow from decrease in debt and lease financing			12,496		9,939
Change in net debt resulting from cash flows			(239,348)		489
New finance leases			(20,290)		-
Movement in net debt in the period			(259,638)		489
Net debt at 1 February			(1,818)		(2,307)
Net debt at 31 January			£(261,456)		£(1,818)

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 January 2003**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2003	2002
	£	£
Operating profit	63,657	93,099
Depreciation charges	86,859	83,882
Loss on sale of fixed assets	11,712	1,878
Government grants released	(2,873)	(3,380)
Increase in stocks	(370,258)	(12,236)
(Increase)/Decrease in debtors	(315,619)	185,887
Increase/(Decrease) in creditors	531,509	(243,688)
Net cash inflow from operating activities	<u>4,987</u>	<u>105,442</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2003	2002
	£	£
Returns on investments and servicing of finance		
Interest received	-	2,154
Interest paid	(19,389)	(10,525)
Interest element of hire purchase payments	(1,540)	(2,446)
Net cash outflow for returns on investments and servicing of finance	<u>(20,929)</u>	<u>(10,817)</u>
Capital expenditure		
Purchase of tangible fixed assets	(125,690)	(76,864)
Sale of tangible fixed assets	2,932	7,682
Net cash outflow for capital expenditure	<u>(122,758)</u>	<u>(69,182)</u>
Financing		
Loan repayments in year	(34,991)	(35,532)
Net cash outflow from financing	<u>(34,991)</u>	<u>(35,532)</u>

**Notes to the Cash Flow Statement
for the Year Ended 31 January 2003**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.2.02 £	Cash flow £	Other non-cash changes £	At 31.1.03 £
Net cash:				
Cash at bank and in hand	16,330	(15,939)		391
Bank overdraft	-	(235,905)		(235,905)
	<u>16,330</u>	<u>(251,844)</u>		<u>(235,514)</u>
Debt:				
Hire purchase	(18,148)	12,496	(20,290)	(25,942)
	<u>(18,148)</u>	<u>12,496</u>	<u>(20,290)</u>	<u>(25,942)</u>
Total	<u>(1,818)</u>	<u>(239,348)</u>	<u>(20,290)</u>	<u>(261,456)</u>
Analysed in Balance Sheet				
Cash at bank and in hand	16,330			391
Bank overdraft	-			(235,905)
Hire purchase				
within one year	(9,900)			(12,969)
after one year	(8,248)			(12,973)
	<u>(1,818)</u>			<u>(261,456)</u>

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2003**

1. ACCOUNTING POLICIES

Accounting convention

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

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These accounts therefore present information about the company as an individual undertaking and not about its group.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax.

In respect of long-term contracts, turnover represents the sales value of work done in the year, including estimates of amounts not invoiced.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% straight line
Leasehold property	- 2% straight line
Plant and machinery	- 15% reducing balance
Motor vehicles	- 25% reducing balance

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs

The company operates two defined contribution pension schemes. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of each scheme.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by annual instalments.

Government grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2003**

2. STAFF COSTS

	2003	2002
	£	£
Wages and salaries	1,088,227	1,313,841
Social security costs	81,276	104,978
Other pension costs	14,759	25,233
	<u>1,184,262</u>	<u>1,444,052</u>

The average monthly number of employees during the year was as follows:

	2003	2002
Production	55	68
Administration	15	15
	<u>70</u>	<u>83</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2003	2002
	£	£
Hire of plant and machinery	-	190
Depreciation - owned assets	75,814	78,980
Depreciation - assets on hire purchase contracts	11,045	4,902
Loss on disposal of fixed assets	11,712	1,878
Auditors' remuneration	3,500	4,250
	<u>175,713</u>	<u>203,645</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2003	2002
	£	£
Bank interest	10,249	-
Bank loan interest	7,956	10,525
Other loan interest	1,184	-
Hire purchase and lease interest	1,540	1,154
Leasing	-	1,292
	<u>20,929</u>	<u>12,971</u>

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2003**

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2003	2002
	£	£
Current tax:		
UK corporation tax	8,729	20,390
	<u>8,729</u>	<u>20,390</u>
Tax on profit on ordinary activities	8,729	20,390
	<u>8,729</u>	<u>20,390</u>

UK corporation tax has been charged at 19.16% (2002 - 20.15%).

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2003	2002
	£	£
Profit on ordinary activities before tax	42,728	82,282
	<u>42,728</u>	<u>82,282</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.161% (2002 - 20.150%)	8,187	16,580
Effects of:		
Expenses not deductible for tax purposes	1,283	3,175
Depreciation in excess of capital allowances	-	1,311
Capital allowances in excess of depreciation	(191)	-
Income not deductible for tax purposes	(550)	(682)
Charge in respect of previous period	-	6
	<u>8,729</u>	<u>20,390</u>
Current tax charge	8,729	20,390
	<u>8,729</u>	<u>20,390</u>

6. DIVIDENDS

	2003	2002
	£	£
Equity shares:		
Final - Ordinary	57,770	15,200
	<u>57,770</u>	<u>15,200</u>

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2003**

7. TANGIBLE FIXED ASSETS

	Freehold property	Leasehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£	£
COST:					
At 1 February 2002	113,408	156,038	973,137	187,191	1,429,774
Additions	10,004	50,924	33,442	51,610	145,980
Disposals	-	-	(55,821)	(27,500)	(83,321)
At 31 January 2003	123,412	206,962	950,758	211,301	1,492,433
DEPRECIATION:					
At 1 February 2002	17,969	26,897	668,735	110,450	824,051
Charge for year	2,468	4,139	49,043	31,209	86,859
Eliminated on disposals	-	-	(44,927)	(23,750)	(68,677)
At 31 January 2003	20,437	31,036	672,851	117,909	842,233
NET BOOK VALUE:					
At 31 January 2003	102,975	175,926	277,907	93,392	650,200
At 31 January 2002	95,438	129,140	304,402	76,741	605,721

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery	Motor vehicles	Totals
	£	£	£
COST:			
At 1 February 2002	38,450	-	38,450
Additions	-	27,510	27,510
At 31 January 2003	38,450	27,510	65,960
DEPRECIATION:			
At 1 February 2002	10,670	-	10,670
Charge for year	4,167	6,878	11,045
At 31 January 2003	14,837	6,878	21,715
NET BOOK VALUE:			
At 31 January 2003	23,613	20,632	44,245
At 31 January 2002	27,780	-	27,780

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2003**

8. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	2003	2002
	£	£
Investment in Brownhill Precast Concrete Co Ltd	129,000	129,000
Investment in Geddes Window Systems Ltd	100	100
	129,100	129,100

9. STOCKS

	2003	2002
	£	£
Raw materials and consumables	108,847	54,238
Work in progress	399,822	84,173
	508,669	138,411

**10. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003	2002
	£	£
Trade debtors	701,589	274,673
Prepayments & accrued income	13,464	45,662
Amounts owed by subsidiary undertakings	14,889	-
Amounts recoverable on long term contracts	170,060	264,047
	900,002	584,382

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003	2002
	£	£
Bank loans and overdrafts (see note 13)	257,137	22,501
Hire purchase contracts (see note 14)	12,969	9,900
Trade creditors	723,842	169,634
Amounts owed to subsidiary undertakings	59,190	149,982
Other creditors	198,137	139,757
Other taxation and social security costs	110,002	100,286
Taxation	8,729	20,383
	1,370,006	612,443

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2003**

**12. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2003	2002
	£	£
Bank loans (see note 13)	68,127	89,353
Hire purchase contracts (see note 14)	12,973	8,248
	<u>81,100</u>	<u>97,601</u>

13. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2003	2002
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	235,905	-
Bank loans	21,232	22,501
	<u>257,137</u>	<u>22,501</u>
Amounts falling due between one and two years:		
Bank loans	<u>22,034</u>	<u>21,227</u>
Amounts falling due between two and five years:		
Bank loans	<u>44,093</u>	<u>54,126</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>2,000</u>	<u>14,000</u>

The bank overdraft and loans are secured.

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2003**

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2003	2002
	£	£
Gross obligations repayable:		
Within one year	15,170	11,094
Between one and five years	14,220	9,286
	<u>29,390</u>	<u>20,380</u>
Finance charges repayable:		
Within one year	2,201	1,194
Between one and five years	1,247	1,038
	<u>3,448</u>	<u>2,232</u>
Net obligations repayable:		
Within one year	12,969	9,900
Between one and five years	12,973	8,248
	<u>25,942</u>	<u>18,148</u>

15. PROVISIONS FOR LIABILITIES AND CHARGES

	2003	2002
	£	£
Deferred taxation	39,491	39,491
	<u>39,491</u>	<u>39,491</u>
	Deferred tax	
	£	
Balance at 1 February 2002	39,491	
Balance at 31 January 2003	<u>39,491</u>	

16. ACCRUALS AND DEFERRED INCOME

	2003	2002
	£	£
Deferred government grants		
As at 1st February	19,152	22,532
Released in year	(2,873)	(3,380)
	<u>16,279</u>	<u>19,152</u>

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 January 2003**

17. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	2003	2002
Number:	Class:		£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid:		Nominal value:	2003	2002
Number:	Class:		£	£
5,777	Ordinary	£1	<u>5,777</u>	<u>5,777</u>

18. OTHER RESERVES

	2003	2002
	£	£
Capital redemption reserve	<u>6,223</u>	<u>6,223</u>

19. CONTINGENT LIABILITIES

The company has given its bank a cross guarantee in respect of Brownhill Precast Concrete Company Limited and Geddes Window Systems Limited, both subsidiary companies.

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
Profit for the financial year	33,999	61,892
Dividends	<u>(57,770)</u>	<u>(15,200)</u>
Net (reduction)/addition to shareholders' funds	(23,771)	46,692
Opening shareholders' funds	<u>705,257</u>	<u>658,565</u>
Closing shareholders' funds	<u>681,486</u>	<u>705,257</u>
Equity interests	<u>681,486</u>	<u>705,257</u>