

Abbreviated Accounts for the Year Ended 31 January 2005

for

D M Geddes & Sons Ltd



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for the Year Ended 31 January 2005**

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D M Geddes & Sons Ltd

**Company Information
for the Year Ended 31 January 2005**

DIRECTORS:

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

SECRETARY:

Mrs K Cameron

REGISTERED OFFICE:

Sinclair Lane
Halkirk
CAITHNESS
KW12 6YF

REGISTERED NUMBER:

32829 (Scotland)

AUDITORS:

Reid & 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 2005

The directors present their report with the accounts of the company for the year ended 31 January 2005.

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 accounts.

DIVIDENDS

No dividends will be distributed for the year ended 31 January 2005.

DIRECTORS

The directors during the year under review were:

Mr W Falconer	
Mrs I Falconer	
Mr K W Falconer	
Mrs K Cameron	
Mr R Mackenzie	- resigned 10.12.04
Mr S Allan	

The beneficial interests of the directors holding office on 31 January 2005 in the issued share capital of the company were as follows:

	31.1.05	1.2.04
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 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.

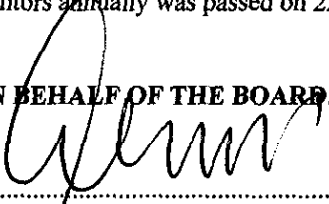
D M Geddes & Sons Ltd

**Report of the Directors
for the Year Ended 31 January 2005**

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:


.....
Mr W Falconer - Director

Date: 22/11/05.....

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

We have examined the abbreviated accounts on pages five to seventeen, together with the full financial statements of the company for the year ended 31 January 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 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 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 directors and auditors

The directors are 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 consider 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 full 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 five to seventeen are properly prepared in accordance with that provision.



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

Date: 28.11.05

D M Geddes & Sons Ltd**Abbreviated Profit and Loss Account
for the Year Ended 31 January 2005**

		<u>2005</u>	<u>2004</u>
	Notes	£	£
GROSS PROFIT		505,482	323,285
Administrative expenses		<u>416,246</u>	<u>468,019</u>
OPERATING PROFIT/(LOSS)	3	89,236	(144,734)
Interest payable and similar charges	4	<u>66,861</u>	<u>48,703</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		22,375	(193,437)
Tax on profit/(loss) on ordinary activities	5	<u>2,989</u>	<u>(39,356)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		19,386	(154,081)
Dividends	6	<u>-</u>	<u>94,350</u>
		19,386	(248,431)
Retained profit brought forward		<u>222,398</u>	<u>470,829</u>
RETAINED PROFIT CARRIED FORWARD		<u>£241,784</u>	<u>£222,398</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 profit for the current year and the loss for the previous year.

The notes form part of these abbreviated accounts

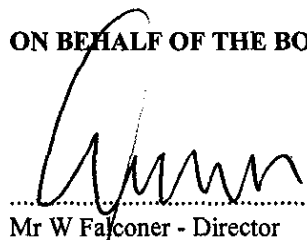
D M Geddes & Sons Ltd

**Abbreviated Balance Sheet
31 January 2005**

	Notes	2005		2004	
		£	£	£	£
FIXED ASSETS:					
Tangible assets	7		571,127		599,604
Investments	8		129,100		129,100
			<u>700,227</u>		<u>728,704</u>
CURRENT ASSETS:					
Stocks	9	165,922		187,834	
Debtors	10	640,706		839,809	
Cash in hand		183		67	
		<u>806,811</u>		<u>1,027,710</u>	
CREDITORS: Amounts falling due within one year	11	<u>1,186,197</u>		<u>1,427,967</u>	
NET CURRENT LIABILITIES:			<u>(379,386)</u>		<u>(400,257)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			320,841		328,447
CREDITORS: Amounts falling due after more than one year	12		(29,321)		(54,237)
PROVISIONS FOR LIABILITIES AND CHARGES:	16		(25,975)		(25,975)
ACCRUALS AND DEFERRED INCOME:	17		(11,761)		(13,837)
			<u>£253,784</u>		<u>£234,398</u>
CAPITAL AND RESERVES:					
Called up share capital	18		5,777		5,777
Other reserves	19		6,223		6,223
Profit and loss account			241,784		222,398
SHAREHOLDERS' FUNDS:	21		<u>£253,784</u>		<u>£234,398</u>

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.

ON BEHALF OF THE BOARD:


.....
Mr W Falconer - Director

Approved by the Board on 22/11/05

The notes form part of these abbreviated accounts

D M Geddes & Sons Ltd

**Cash Flow Statement
for the Year Ended 31 January 2005**

	Notes	2005		2004	
		£	£	£	£
Net cash inflow/(outflow) from operating activities	1		410,628		(498,460)
Returns on investments and servicing of finance	2		(66,861)		(48,703)
Taxation			-		35,668
Capital expenditure	2		(38,016)		(24,716)
Equity dividends paid			-		(94,350)
			305,751		(630,561)
Financing	2		(26,977)		(34,294)
Increase/(Decrease) in cash in the period			£278,774		£(664,855)
Reconciliation of net cash flow to movement in net debt	3				
Increase/(Decrease) in cash in the period			278,774		(664,855)
Cash outflow from decrease in debt and lease financing			4,805		12,970
Change in net debt resulting from cash flows			283,579		(651,885)
Movement in net debt in the period			283,579		(651,885)
Net debt at 1 February			(913,341)		(261,456)
Net debt at 31 January			£(629,762)		£(913,341)

The notes form part of these abbreviated accounts

**Notes to the Cash Flow Statement
for the Year Ended 31 January 2005**

1. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2005	2004
	£	£
Operating profit/(loss)	89,236	(144,734)
Depreciation charges	66,945	73,442
Loss on sale of fixed assets	-	1,868
Profit on sale of fixed assets	(450)	-
Government grants released	(2,076)	(2,442)
Decrease in stocks	21,912	74,509
Decrease in debtors	196,114	89,305
Increase/(Decrease) in creditors	38,947	(590,408)
Net cash inflow/(outflow) from operating activities	<u>410,628</u>	<u>(498,460)</u>

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

	2005	2004
	£	£
Returns on investments and servicing of finance		
Interest paid	(65,783)	(46,493)
Interest element of hire purchase payments	(1,078)	(2,210)
Net cash outflow for returns on investments and servicing of finance	<u>(66,861)</u>	<u>(48,703)</u>
Capital expenditure		
Purchase of tangible fixed assets	(44,436)	(30,084)
Sale of tangible fixed assets	6,420	5,368
Net cash outflow for capital expenditure	<u>(38,016)</u>	<u>(24,716)</u>
Financing		
Loan repayments in year	(26,977)	(34,294)
Net cash outflow from financing	<u>(26,977)</u>	<u>(34,294)</u>

Notes to the Cash Flow Statement
for the Year Ended 31 January 2005

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.2.04 £	Cash flow £	At 31.1.05 £
Net cash:			
Cash at bank and in hand	67	116	183
Bank overdraft	(900,436)	278,658	(621,778)
	<u>(900,369)</u>	<u>278,774</u>	<u>(621,595)</u>
Debt:			
Hire purchase	(12,972)	4,805	(8,167)
	<u>(12,972)</u>	<u>4,805</u>	<u>(8,167)</u>
Total	<u>(913,341)</u>	<u>283,579</u>	<u>(629,762)</u>
Analysed in Balance Sheet			
Cash at bank and in hand	67		183
Bank overdraft	(900,436)		(621,778)
Hire purchase			
within one year	(4,806)		(4,846)
after one year	(8,166)		(3,321)
	<u>(913,341)</u>		<u>(629,762)</u>

**Notes to the Abbreviated Accounts
for the Year Ended 31 January 2005**

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 Accounts
for the Year Ended 31 January 2005**

2. STAFF COSTS

	2005	2004
	£	£
Wages and salaries	980,138	921,677
Social security costs	87,202	77,247
Other pension costs	12,149	12,042
	<u>1,079,489</u>	<u>1,010,966</u>

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

	2005	2004
Production	48	44
Administration	12	13
	<u>60</u>	<u>57</u>

3. OPERATING PROFIT/(LOSS)

The operating profit (2004 - operating loss) is stated after charging/(crediting):

	2005	2004
	£	£
Depreciation - owned assets	63,076	68,284
Depreciation - assets on hire purchase contracts	3,869	5,158
(Profit)/Loss on disposal of fixed assets	(450)	1,868
Auditors' remuneration	4,500	4,500
	<u>133,920</u>	<u>167,601</u>
Directors' emoluments	5,923	5,631
Directors' pension contributions to money purchase schemes	<u>5,923</u>	<u>5,631</u>

The number of directors to whom retirement benefits were accruing was as follows:

	3	3
Money purchase schemes	<u>3</u>	<u>3</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2005	2004
	£	£
Bank interest	61,638	40,186
Bank loan interest	4,145	6,307
Hire purchase and lease interest	1,078	2,210
	<u>66,861</u>	<u>48,703</u>

**Notes to the Abbreviated Accounts
for the Year Ended 31 January 2005**

5. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows:

	2005	2004
	£	£
Current tax:		
UK corporation tax	2,989	(25,840)
Deferred taxation	-	(13,516)
Tax on profit/(loss) on ordinary activities	<u>2,989</u>	<u>(39,356)</u>

UK corporation tax was charged at 20.31% in 2004.

Factors affecting the tax charge/(credit)

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

	2005	2004
	£	£
Profit/(loss) on ordinary activities before tax	<u>22,375</u>	<u>(193,437)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 18.776% (2004 - 20.305%)	4,201	(39,277)
Effects of:		
Expenses not deductible for tax	389	1,001
Depreciation in excess of capital allowances	-	12,932
Income not deductible for tax	(474)	(496)
Capital allowances in excess of depreciation	<u>(1,127)</u>	<u>-</u>
Current tax charge/(credit)	<u>2,989</u>	<u>(25,840)</u>

6. DIVIDENDS

	2005	2004
	£	£
Equity shares:		
Final - Ordinary	<u>-</u>	<u>94,350</u>

Notes to the Abbreviated Accounts
for the Year Ended 31 January 2005

7. TANGIBLE FIXED ASSETS

	Freehold property	Leasehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£	£
COST:					
At 1 February 2004	132,316	209,067	940,839	198,071	1,480,293
Additions	450	1,345	38,191	4,450	44,436
Disposals	-	-	(12,900)	(18,450)	(31,350)
At 31 January 2005	132,766	210,412	966,130	184,071	1,493,379
DEPRECIATION:					
At 1 February 2004	23,084	35,218	691,939	130,446	880,687
Charge for year	2,657	4,208	43,033	17,047	66,945
Eliminated on disposals	-	-	(10,360)	(15,020)	(25,380)
At 31 January 2005	25,741	39,426	724,612	132,473	922,252
NET BOOK VALUE:					
At 31 January 2005	107,025	170,986	241,518	51,598	571,127
At 31 January 2004	109,232	173,849	248,899	67,624	599,604

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

	Motor vehicles
	£
COST:	
At 1 February 2004 and 31 January 2005	27,510
DEPRECIATION:	
At 1 February 2004	12,036
Charge for year	3,869
At 31 January 2005	15,905
NET BOOK VALUE:	
At 31 January 2005	11,605
At 31 January 2004	15,474

8. FIXED ASSET INVESTMENTS

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Geddes Window Systems Ltd

Nature of business: Manufacture of windows and doors

Class of shares:	%
Ordinary	holding 100.00

D M Geddes & Sons Ltd**Notes to the Abbreviated Accounts
for the Year Ended 31 January 2005****8. FIXED ASSET INVESTMENTS - continued****Brownhill Precast Concrete Company Ltd**

Nature of business: Property development

Class of shares:	%
Ordinary	holding 100.00

Investments (neither listed nor unlisted) were as follows:

	2005 £	2004 £
Investment in Brownhill Precast Concrete Co Ltd	129,000	129,000
Investment in Geddes Window Systems Ltd	100	100
	<u>129,100</u>	<u>129,100</u>

9. STOCKS

	2005 £	2004 £
Raw materials and consumables	61,196	57,376
Work in progress	104,726	130,458
	<u>165,922</u>	<u>187,834</u>

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

	2005 £	2004 £
Trade debtors	123,092	139,576
Other debtors	41,332	12,963
Prepayments & accrued income	6,938	7,418
Amounts owed by subsidiary undertakings	112,171	478,935
Amounts recoverable on long term contracts	331,050	171,805
Taxation	26,123	29,112
	<u>640,706</u>	<u>839,809</u>

**Notes to the Abbreviated Accounts
for the Year Ended 31 January 2005**

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

	2005	2004
	£	£
Bank loans and overdrafts (see note 13)	641,643	922,401
Hire purchase contracts (see note 14)	4,846	4,806
Trade creditors	350,579	219,724
Amounts owed to subsidiary undertakings	8,051	44,057
Other creditors	158,096	210,958
Other taxation and social security costs	22,982	26,021
	<u>1,186,197</u>	<u>1,427,967</u>

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

	2005	2004
	£	£
Bank loans (see note 13)	26,000	46,071
Hire purchase contracts (see note 14)	3,321	8,166
	<u>29,321</u>	<u>54,237</u>

13. LOANS AND OVERDRAFTS

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

	2005	2004
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	621,778	900,436
Bank loans	19,865	21,965
	<u>641,643</u>	<u>922,401</u>
Amounts falling due between one and two years:		
Bank loans	<u>12,000</u>	<u>20,071</u>
Amounts falling due between two and five years:		
Bank loans	<u>14,000</u>	<u>26,000</u>

**Notes to the Abbreviated Accounts
for the Year Ended 31 January 2005**

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2005	2004
	£	£
Gross obligations repayable:		
Within one year	5,394	5,884
Between one and five years	3,432	8,826
	8,826	14,710
Finance charges repayable:		
Within one year	548	1,078
Between one and five years	111	660
	659	1,738
Net obligations repayable:		
Within one year	4,846	4,806
Between one and five years	3,321	8,166
	8,167	12,972

15. SECURED DEBTS

The following secured debts are included within creditors:

	2005	2004
	£	£
Bank overdrafts	621,778	900,436
Bank loans	45,865	68,036
	667,643	968,472

16. PROVISIONS FOR LIABILITIES AND CHARGES

	2005	2004
	£	£
Deferred taxation	25,975	25,975
	Deferred tax	
	£	
Balance at 1 February 2004	25,975	
Balance at 31 January 2005	25,975	

**Notes to the Abbreviated Accounts
for the Year Ended 31 January 2005**

17. ACCRUALS AND DEFERRED INCOME

	2005	2004
	£	£
Deferred government grants		
As at 1st February	13,837	16,279
Released in year	(2,076)	(2,442)
	<u>11,761</u>	<u>13,837</u>

18. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2005	2004
			£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005	2004
			£	£
5,777	Ordinary	£1	<u>5,777</u>	<u>5,777</u>

19. OTHER RESERVES

	2005	2004
	£	£
Capital redemption reserve	<u>6,223</u>	<u>6,223</u>

20. 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.

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2005	2004
	£	£
Profit/(Loss) for the financial year	19,386	(154,081)
Dividends	-	(94,350)
Net addition/(reduction) to shareholders' funds	<u>19,386</u>	<u>(248,431)</u>
Opening shareholders' funds	234,398	482,829
Closing shareholders' funds	<u>253,784</u>	<u>234,398</u>
Equity interests	<u>253,784</u>	<u>234,398</u>