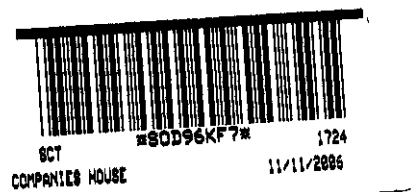


REGISTERED NUMBER: 32829 (Scotland)

Abbreviated Accounts for the Year Ended 31 January 2006

for

D M Geddes & Sons Ltd



**Contents of the Abbreviated Accounts
for the Year Ended 31 January 2006**

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D M Geddes & Sons Ltd

**Company Information
for the Year Ended 31 January 2006**

DIRECTORS:

Mr W Falconer
Mrs I 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 2006

The directors present their report with the accounts of the company for the year ended 31 January 2006

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of building contractors. The company has two subsidiary undertakings, Geddes Window Systems Ltd and Brownhill Precast Concrete Company Ltd. The principal activity of Geddes Window Systems Ltd is the manufacture of doors and windows. The principal activity of Brownhill Precast Concrete Company Ltd is property development.

REVIEW OF BUSINESS

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

DIVIDENDS

During the year, dividends of £10,125 were declared. The directors do not propose to declare a final dividend.

FUTURE DEVELOPMENTS

On 6 June 2006 the directors took the decision to cease trading as a building contractor, once the company has honoured its existing contracting commitments.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the accounts.

DIRECTORS

The directors during the year under review were

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

The beneficial interests of the directors holding office on 31 January 2006 in the issued share capital of the company were as follows:

	31 1 06	1 2 05
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		

Mr K Falconer resigned as director on 13 February 2006.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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.

**Report of the Directors
for the Year Ended 31 January 2006**

STATEMENT OF DIRECTORS' RESPONSIBILITIES continued

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.

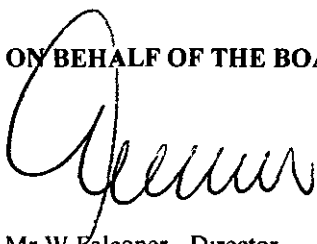
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

06/11/06

**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 set out on pages five to seventeen, together with the financial statements of D M Geddes & Sons Ltd for the year ended 31 January 2006 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 abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

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 have been properly prepared in accordance with that provision.



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

Date 7.11.06

D M Geddes & Sons Ltd**Abbreviated Profit and Loss Account
for the Year Ended 31 January 2006**

		2006	2005
	Notes	£	£
GROSS PROFIT		475,556	505,482
Administrative expenses		335,951	416,246
OPERATING PROFIT	3	139,605	89,236
Interest payable and similar charges	4	36,294	66,861
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		103,311	22,375
Tax on profit on ordinary activities	5	21,324	2,989
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		81,987	19,386
Retained profit brought forward		241,784	222,398
		323,771	241,784
Dividends	6	(10,125)	
RETAINED PROFIT CARRIED FORWARD		£313,646	£241,784

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 abbreviated accounts

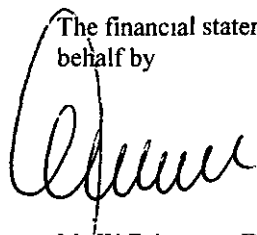
D M Geddes & Sons Ltd

**Abbreviated Balance Sheet
31 January 2006**

	Notes	2006		2005	
		£	£	£	£
FIXED ASSETS:					
Tangible assets	7		531,287		571,127
Investments	8		129,100		129,100
			<u>660,387</u>		<u>700,227</u>
CURRENT ASSETS:					
Stocks	9	145,163		165,922	
Debtors	10	279,749		640,706	
Cash in hand		222		183	
		<u>425,134</u>		<u>806,811</u>	
CREDITORS: Amounts falling due within one year	11	<u>709,903</u>		<u>1,186,197</u>	
NET CURRENT LIABILITIES:			<u>(284,769)</u>		<u>(379,386)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			375,618		320,841
CREDITORS: Amounts falling due after more than one year	12		(14,000)		(29,321)
PROVISIONS FOR LIABILITIES:	16		(25,975)		(25,975)
ACCRUALS AND DEFERRED INCOME:	17		(9,997)		(11,761)
			<u>£325,646</u>		<u>£253,784</u>
CAPITAL AND RESERVES:					
Called up share capital	18		5,777		5,777
Other reserves	19		6,223		6,223
Profit and loss account			313,646		241,784
SHAREHOLDERS' FUNDS:	22		<u>£325,646</u>		<u>£253,784</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

The financial statements were approved by the Board of Directors on behalf by



Mr W Falconer Director

6 11. 06

and were signed on its

The notes form part of these abbreviated accounts

D M Geddes & Sons Ltd

**Cash Flow Statement
for the Year Ended 31 January 2006**

	Notes	2006		2005	
		£	£	£	£
Net cash inflow from operating activities	1		400,580		410,628
Returns on investments and servicing of finance	2		(36,294)		(66,861)
Taxation			14,444		
Capital expenditure	2		(23,303)		(38,016)
Equity dividends paid			(10,125)		
			345,302		305,751
Financing	2		(24,712)		(26,977)
Increase in cash in the period			£320,590		£278,774
Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period		320,590		278,774	
Cash outflow from decrease in debt and lease financing		4,846		4,805	
Change in net debt resulting from cash flows			325,436		283,579
Movement in net debt in the period			325,436		283,579
Net debt at 1 February			(629,762)		(913,341)
Net debt at 31 January			£(304,326)		£(629,762)

The notes form part of these abbreviated accounts

Notes to the Cash Flow Statement
for the Year Ended 31 January 2006

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

	2006 £	2005 £
Operating profit	139,605	89,236
Depreciation charges	58,566	66,945
Loss on sale of fixed assets	4,578	
Profit on sale of fixed assets		(450)
Government grants released	(1,765)	(2,076)
Decrease in stocks	20,759	21,912
Decrease in debtors	334,834	196,114
(Decrease)/Increase in creditors	(155,997)	38,947
Net cash inflow from operating activities	400,580	410,628

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

	2006 £	2005 £
Returns on investments and servicing of finance		
Interest paid	(35,255)	(65,783)
Interest element of hire purchase payments	(1,039)	(1,078)
Net cash outflow for returns on investments and servicing of finance	(36,294)	(66,861)
Capital expenditure		
Purchase of tangible fixed assets	(36,701)	(44,436)
Sale of tangible fixed assets	13,398	6,420
Net cash outflow for capital expenditure	(23,303)	(38,016)
Financing		
Loan repayments in year	(24,712)	(26,977)
Net cash outflow from financing	(24,712)	(26,977)

**Notes to the Cash Flow Statement
for the Year Ended 31 January 2006**

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1.2.05 £	Cash flow £	At 31 1.06 £
Net cash			
Cash at bank and in hand	183	39	222
Bank overdraft	<u>(621,778)</u>	<u>320,551</u>	<u>(301,227)</u>
	<u>(621,595)</u>	<u>320,590</u>	<u>(301,005)</u>
Debt			
Hire purchase	<u>(8,167)</u>	<u>4,846</u>	<u>(3,321)</u>
	<u>(8,167)</u>	<u>4,846</u>	<u>(3,321)</u>
Total	<u><u>(629,762)</u></u>	<u><u>325,436</u></u>	<u><u>(304,326)</u></u>
Analysed in Balance Sheet			
Cash at bank and in hand	183		222
Bank overdraft	<u>(621,778)</u>		<u>(301,227)</u>
Hire purchase			
within one year	<u>(4,846)</u>		<u>(3,321)</u>
after one year	<u>(3,321)</u>		
	<u><u>(629,762)</u></u>		<u><u>(304,326)</u></u>

**Notes to the Abbreviated Accounts
for the Year Ended 31 January 2006**

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 2006**

2 STAFF COSTS

	2006	2005
	£	£
Wages and salaries	715,569	980,138
Social security costs	68,476	87,202
Other pension costs	7,901	12,149
	<u>791,946</u>	<u>1,079,489</u>

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

	2006	2005
Production	35	48
Administration	8	12
	<u>43</u>	<u>60</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2006	2005
	£	£
Depreciation owned assets	55,665	63,076
Depreciation assets on hire purchase contracts	2,901	3,869
Loss/(Profit) on disposal of fixed assets	4,578	(450)
Auditors' remuneration	4,950	4,500
	<u>100,531</u>	<u>133,920</u>
Directors' emoluments	2,065	5,923
Directors' pension contributions to money purchase schemes		

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

	2006	2005
Money purchase schemes	<u>1</u>	<u>3</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2006	2005
	£	£
Bank interest	33,240	61,638
Bank loan interest	2,015	4,145
Hire purchase and lease interest	1,039	1,078
	<u>36,294</u>	<u>66,861</u>

**Notes to the Abbreviated Accounts
for the Year Ended 31 January 2006**

5 TAXATION

Analysis of the tax charge

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

	2006 £	2005 £
Current tax		
UK corporation tax	21,324	2,989
	<u>21,324</u>	<u>2,989</u>
Tax on profit on ordinary activities	<u>21,324</u>	<u>2,989</u>

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

	2006 £	2005 £
Profit on ordinary activities before tax	103,311	22,375
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.910% (2005 18.776%)	20,569	4,201
Effects of		
Expenses not deductible for tax	1,200	389
capital allowances		
Income not deductible for tax	(351)	(474)
Capital allowances in excess of depreciation	(94)	(1,127)
Current tax charge	<u>21,324</u>	<u>2,989</u>

6 DIVIDENDS

	2006 £	2005 £
Equity shares		
Final Ordinary	<u>10,125</u>	<u></u>

Notes to the Abbreviated Accounts
for the Year Ended 31 January 2006

7 TANGIBLE FIXED ASSETS

	Freehold property	Leasehold property	Plant and machinery	Motor vehicles	Totals
	£	£	£	£	£
COST:					
At 1 February 2005	132,767	210,412	966,130	184,071	1,493,380
Additions		5,205	11,348	20,148	36,701
Disposals				(52,627)	(52,627)
At 31 January 2006	132,767	215,617	977,478	151,592	1,477,454
DEPRECIATION:					
At 1 February 2005	25,741	39,426	724,612	132,473	922,252
Charge for year	2,657	4,312	37,955	13,642	58,566
Eliminated on disposals				(34,651)	(34,651)
At 31 January 2006	28,398	43,738	762,567	111,464	946,167
NET BOOK VALUE:					
At 31 January 2006	104,369	171,879	214,911	40,128	531,287
At 31 January 2005	107,025	170,986	241,518	51,598	571,127

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

	Motor vehicles
	£
COST:	
At 1 February 2005 and 31 January 2006	27,510
DEPRECIATION:	
At 1 February 2005	15,905
Charge for year	2,901
At 31 January 2006	18,806
NET BOOK VALUE:	
At 31 January 2006	8,704
At 31 January 2005	11,605

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

**Notes to the Abbreviated Accounts
for the Year Ended 31 January 2006**

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

	2006 £	2005 £
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

	2006 £	2005 £
Raw materials and consumables	44,130	61,196
Work in progress	101,033	104,726
	<u>145,163</u>	<u>165,922</u>

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

	2006 £	2005 £
Trade debtors	118,650	123,092
Other debtors	18,143	41,332
Prepayments & accrued income	8,334	6,938
Amounts owed by subsidiary undertakings	90,386	112,171
Amounts recoverable on long term contracts	44,236	331,050
Taxation		26,123
	<u>279,749</u>	<u>640,706</u>

Notes to the Abbreviated Accounts
for the Year Ended 31 January 2006

11 CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	2006 £	2005 £
Bank loans and overdrafts (see note 13)	313,227	641,643
Hire purchase contracts (see note 14)	3,321	4,846
Trade creditors	221,635	350,579
Amounts owed to subsidiary undertakings	51,213	8,051
Other creditors	94,306	158,096
Other taxation and social security costs	16,556	22,982
Taxation	9,645	
	<u>709,903</u>	<u>1,186,197</u>

12 CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR

	2006 £	2005 £
Bank loans (see note 13)	14,000	26,000
Hire purchase contracts (see note 14)		3,321
	<u>14,000</u>	<u>29,321</u>

13 LOANS AND OVERDRAFTS

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

	2006 £	2005 £
Amounts falling due within one year or on demand		
Bank overdrafts	301,227	621,778
Bank loans	12,000	19,865
	<u>313,227</u>	<u>641,643</u>
Amounts falling due between one and two years		
Bank loans	<u>14,000</u>	<u>12,000</u>
Amounts falling due between two and five years		
Bank loans	<u></u>	<u>14,000</u>

Notes to the Abbreviated Accounts
for the Year Ended 31 January 2006

14 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2006 £	2005 £
Gross obligations repayable		
Within one year	3,432	5,394
Between one and five years		3,432
	<u>3,432</u>	<u>8,826</u>
Finance charges repayable		
Within one year	111	548
Between one and five years		111
	<u>111</u>	<u>659</u>
Net obligations repayable		
Within one year	3,321	4,846
Between one and five years		3,321
	<u>3,321</u>	<u>8,167</u>

15 SECURED DEBTS

The following secured debts are included within creditors

	2006 £	2005 £
Bank overdrafts	301,227	621,778
Bank loans	26,000	45,865
	<u>327,227</u>	<u>667,643</u>

16 PROVISIONS FOR LIABILITIES

	2006 £	2005 £
Deferred taxation	25,975	25,975
	<u>25,975</u>	<u>25,975</u>
	Deferred tax	
	£	
Balance at 1 February 2005	25,975	
Balance at 31 January 2006	<u>25,975</u>	

Notes to the Abbreviated Accounts
for the Year Ended 31 January 2006

17 ACCRUALS AND DEFERRED INCOME

	2006 £	2005 £
Deferred government grants		
As at 1st February	11,761	13,837
Released in year	(1,764)	(2,076)
	<u>9,997</u>	<u>11,761</u>

18 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value £1	2006 £	2005 £
100,000	Ordinary		<u>100,000</u>	<u>100,000</u>
Allotted, issued and fully paid Number	Class	Nominal value £1	2006 £	2005 £
5,777	Ordinary		<u>5,777</u>	<u>5,777</u>

19 OTHER RESERVES

	2006 £	2005 £
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 POST BALANCE SHEET EVENTS

On 6 June 2006, the directors took the decision to cease trading as a building contractor once the company has honoured its existing contracting commitments

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Profit for the financial year	81,987	19,386
Dividends	(10,125)	
Net addition to shareholders' funds	<u>71,862</u>	<u>19,386</u>
Opening shareholders' funds	<u>253,784</u>	<u>234,398</u>
Closing shareholders' funds	<u>325,646</u>	<u>253,784</u>
Equity interests	<u>325,646</u>	<u>253,784</u>