REGISTERED NUMBER: 71913 (Scotland)

Abbreviated Accounts

for the Year Ended 31 March 2005

for

Townhead Properties Ltd



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Townhead Properties Ltd

Company Information
for the Year Ended 31 March 2005

DIRECTOR:	A W D Samuel
SECRETARY:	L M Mackie
REGISTERED OFFICE:	West Woodside Farm Cottage Muirburn Road Beith KA15 1JF
REGISTERED NUMBER:	71913 (Scotland)
AUDITORS:	Campbell Dallas Chartered Accountants Registered Auditors Campbell House 126 Drymen Road Bearsden Glasgow G61 3RB

Report of the Independent Auditors to
Townhead Properties Ltd
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages three to six, together with the full financial statements of the company for the year ended 31 March 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 director and auditors
The director is responsible for preparing the abbreviated accounts in accordance with Section 246 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 Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions 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 Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages three to six are properly prepared in accordance with those provisions.

Campbell Dallas
Chartered Accountants
Registered Auditors
Campbell House
126 Drymen Road
Bearsden
Glasgow
G61 3RB

Date: 10 August 2005

Townhead Properties Ltd

Abbreviated Balance Sheet
31 March 2005

	Notes	2005		2004	
		£	£	£	£
FIXED ASSETS:					
Tangible assets	2		-		40,000
Investments	3		575,100		575,100
			575,100		615,100
CURRENT ASSETS:					
Stocks		413,534		919	
Debtors	4	156,077		139,777	
Cash at bank		15,749		85,725	
		585,360		226,421	
CREDITORS: Amounts falling due within one year	5	73,530		17,253	
NET CURRENT ASSETS:			511,830		209,168
TOTAL ASSETS LESS CURRENT LIABILITIES:			1,086,930		824,268
CREDITORS: Amounts falling due after more than one year	5		417,338		242,219
			£669,592		£582,049
CAPITAL AND RESERVES:					
Called up share capital	6		250		250
Revaluation reserve			277,871		277,871
Profit and loss account			391,471		303,928
SHAREHOLDERS' FUNDS:			£669,592		£582,049

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:

A W D Samuel - Director

Approved by the Board on 8.08.2005

The notes form part of these abbreviated accounts

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

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover
Turnover represents net invoiced sales of goods and services, excluding value added tax.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 50% on cost and 20% on cost
Plant and Machinery	- at varying rates on cost
Fixtures and Fittings	- at varying rates on cost

Stocks
Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure 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.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 April 2004 and 31 March 2005	168,757
DEPRECIATION:	
At 1 April 2004	128,757
Charge for year	40,000
At 31 March 2005	168,757
NET BOOK VALUE:	
At 31 March 2005	-
At 31 March 2004	40,000

3. FIXED ASSET INVESTMENTS

	£
COST OR VALUATION:	
At 1 April 2004 and 31 March 2005	575,100
NET BOOK VALUE:	
At 31 March 2005	575,100
At 31 March 2004	575,100

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

100 ordinary £1 shares representing 100% of the issued share capital of Gavin Watson (Biologic) Limited, a company incorporated in Scotland, making it a wholly owned subsidiary. At 31 March 2005 its capital and reserves amounted to £(89,998) (2004: £(46,537)). Loss for the year was £(43,461) (2004: £13,434)).

4. DEBTORS FALLING DUE AFTER MORE THAN ONE YEAR

	2005 £	2004 £
Gavin Watson (Biologic) Ltd	30,610	-
Gavin Watson Ltd	125,467	-
	156,077	-

5. CREDITORS

The following secured debts are included within creditors:

	2005 £	2004 £
Bank overdrafts	3,140	-
Bank loans	150,000	-
	153,140	-

6. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2005 £	2004 £
100,000	Ordinary	£1	100,000	100,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2005 £	2004 £
250	Ordinary	£1	250	250

7. TRANSACTIONS WITH DIRECTOR

The investment property owned by the company is rented to Gavin Watson Limited, a company in which A W D Samuel is also a director. The rent of £80,000 is charged on a commercial basis.

During the year, the company undertook factoring of the property it rents to Gavin Watson Limited. The factoring charges totalled £40,410 and were made at normal rates and on normal business terms.

During the year, the company also leased two machines to Gavin Watson Limited. The lease of £41,208 is charged on a commercial basis.

At 31 March 2005, the balance owed to the company from Gavin Watson Limited amounted to £125,467. Repayment will not be made during the next twelve months.

A W D Samuel is also a director in Gavin Watson (Biologic) Limited, the subsidiary company which owed Townhead Properties Limited £30,610 at the year end. Repayment will not be made during the next twelve months.

8. GROUP ACCOUNTS

The group qualifies as a small group and as such is exempt from preparing consolidated accounts. The figures included in the accounts are in respect of the Holding company only.