

MAXIM POWER TOOLS (SCOTLAND) LIMITED
ABBREVIATED ACCOUNTS
FOR
31 DECEMBER 2003



FRENCH DUNCAN
Chartered Accountants & Registered Auditors
375 West George Street
Glasgow
G2 4LW

MAXIM POWER TOOLS (SCOTLAND) LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

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MAXIM POWER TOOLS (SCOTLAND) LIMITED**INDEPENDENT AUDITORS' REPORT TO THE COMPANY****PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31 December 2003 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 audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an 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 and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE 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 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 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 Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



FRENCH DUNCAN
Chartered Accountants
& Registered Auditors

375 West George Street
Glasgow
G2 4LW

26 May 2004

MAXIM POWER TOOLS (SCOTLAND) LIMITED**ABBREVIATED BALANCE SHEET****31 DECEMBER 2003**

	Note	2003 £	2002 £
FIXED ASSETS	2		
Tangible assets		<u>41,088</u>	<u>58,515</u>
CURRENT ASSETS			
Stocks		211,982	238,390
Debtors		657,674	618,528
Cash at bank and in hand		379	1,251
		<u>870,035</u>	<u>858,169</u>
CREDITORS: Amounts falling due within one year	3	<u>273,050</u>	<u>329,177</u>
NET CURRENT ASSETS		<u>596,985</u>	<u>528,992</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>638,073</u>	<u>587,507</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	75,000	75,000
Profit and loss account		<u>563,073</u>	<u>512,507</u>
SHAREHOLDERS' FUNDS		<u>638,073</u>	<u>587,507</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved and signed by the director on 26 May 2004.

A KILPATRICK

A. Kilpatrick

The notes on pages 3 to 6 form part of these abbreviated accounts.

MAXIM POWER TOOLS (SCOTLAND) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

1. ACCOUNTING POLICIES

Basis of accounting

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

Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & machinery	25% Straight line
Fixture & fittings	15% Straight line
Motor vehicles	25% Straight line
Equipment	15% Straight line
Computer equipment	50% Straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

MAXIM POWER TOOLS (SCOTLAND) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31 DECEMBER 2003****Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 January 2003	196,608
Additions	18,443
Disposals	<u>(23,745)</u>
At 31 December 2003	<u>191,306</u>
DEPRECIATION	
At 1 January 2003	138,093
Charge for year	21,686
On disposals	<u>(9,561)</u>
At 31 December 2003	<u>150,218</u>
NET BOOK VALUE	
At 31 December 2003	<u>41,088</u>
At 31 December 2002	<u>58,515</u>

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2003 £	2002 £
Bank loans and overdrafts	<u>117,018</u>	<u>148,658</u>

MAXIM POWER TOOLS (SCOTLAND) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31 DECEMBER 2003****4. SHARE CAPITAL****Authorised share capital:**

	2003	2002
	£	£
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>

5. ULTIMATE PARENT COMPANY

The ultimate parent company is Kilpatrick Fraser Limited, a company registered in Scotland.