

SINCLAIR SCOTT LIMITED

Directors' report and financial statements

for the year ended 31 March 2004



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COMPANIES HOUSE 31/01/05

SINCLAIR SCOTT LIMITED

Company information

Directors	Mr I Spence Mrs J V Spence Mr A I Spence Mr M J Spence
Secretary	Mrs J V Spence
Company number	SC099921
Registered office	6 Borthwick View Pentland Industrial Estate Loanhead EH20 9QH
Auditors	Gray & Co The Old Library 13 Kirk Loan Edinburgh EH12 7HD
Business address	6 Borthwick View Pentland Industrial Estate Loanhead EH20 9QH
Bankers	Bank of Scotland Plc
Solicitors	Brodies WS

SINCLAIR SCOTT LIMITED

Directors' report for the year ended 31 March 2004

The directors present their report and the financial statements for the year ended 31 March 2004.

Principal activity

The principal activity of the company was that of electrical contractors.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31/03/04	01/04/03
Mr I Spence	63	92
Mrs J V Spence	50	50
Mr A I Spence	40	40
Mr M J Spence	21	18

Charitable and Political Contributions

During the year the company contributed £230 to charities.

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Gray & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 5 July 2004 and signed on its behalf by

Mrs J V Spence
Secretary



SINCLAIR SCOTT LIMITED

Independent auditors' report to the shareholders of SINCLAIR SCOTT LIMITED

We have audited the financial statements of SINCLAIR SCOTT LIMITED for the year ended 31 March 2004 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 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 directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

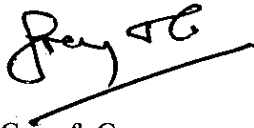
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

SINCLAIR SCOTT LIMITED

Independent auditors' report to the shareholders of SINCLAIR SCOTT LIMITED continued

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'Gray & Co', with a long horizontal line extending from the end of the signature.

**Gray & Co
Chartered Accountants and
Registered Auditors**

**The Old Library
13 Kirk Loan
Edinburgh
EH12 7HD**

Date: 5 July 2004

SINCLAIR SCOTT LIMITED

Profit and loss account for the year ended 31 March 2004

		2004	2003
	Notes	£	£
Turnover	2	927,013	1,070,604
Cost of sales		(581,380)	(757,539)
Gross profit		<u>345,633</u>	<u>313,065</u>
Distribution costs		(57,665)	(55,414)
Administrative expenses		(221,896)	(197,870)
Operating profit	3	<u>66,072</u>	<u>59,781</u>
Other interest receivable and similar income		935	1,125
Interest payable and similar charges		(347)	(401)
Profit on ordinary activities before taxation		<u>66,660</u>	<u>60,505</u>
Tax on profit on ordinary activities	6	(13,543)	(12,401)
Profit on ordinary activities after taxation		<u>53,117</u>	<u>48,104</u>
Dividends		(9,000)	(9,000)
Retained profit for the year		<u>44,117</u>	<u>39,104</u>
Retained profit brought forward		134,077	94,973
Retained profit carried forward		<u><u>178,194</u></u>	<u><u>134,077</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 9 form an integral part of these financial statements.

SINCLAIR SCOTT LIMITED

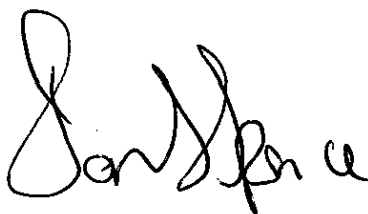
Balance sheet as at 31 March 2004

		2004		2003	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		34,960		33,327
Current assets					
Stocks		-		1,250	
Debtors	8	261,982		297,035	
Cash at bank and in hand		770		3,306	
		<u>262,752</u>		<u>301,591</u>	
Creditors: amounts falling due within one year	9	<u>(119,318)</u>		<u>(199,872)</u>	
Net current assets			<u>143,434</u>		<u>101,719</u>
Total assets less current liabilities			<u>178,394</u>		<u>135,046</u>
Creditors: amounts falling due after more than one year	10		-		(769)
Net assets			<u>178,394</u>		<u>134,277</u>
Capital and reserves					
Called up share capital	11		200		200
Profit and loss account			178,194		134,077
Shareholders' funds			<u>178,394</u>		<u>134,277</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 5 July 2004 and signed on its behalf by

Mr I Spence
Director



The notes on pages 6 to 9 form an integral part of these financial statements.

SINCLAIR SCOTT LIMITED

Notes to the financial statements for the year ended 31 March 2004

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	15% Reducing Balance Method
Fixtures, fittings and equipment	-	15% Reducing Balance Method
Motor vehicles	-	25% Reducing Balance Method

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.5. Stock

Stock is valued at the lower of cost and net realisable value.

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit

	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	7,223	7,131
Auditors' remuneration	4,620	4,200
	<u> </u>	<u> </u>

SINCLAIR SCOTT LIMITED

Notes to the financial statements for the year ended 31 March 2004

..... continued

4. Directors' emoluments

	2004	2003
	£	£
Remuneration and other benefits	112,149	100,042
	<u> </u>	<u> </u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	-	1

5. Pension costs

The company operates a defined contribution pension scheme in respect of the directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £- (2003 - £1,232).

6. Tax on profit on ordinary activities

Analysis of charge in period	2004	2003
	£	£
Current tax		
UK corporation tax at 19.00% (2003 - 19.00%)	13,543	12,401
	<u> </u>	<u> </u>

SINCLAIR SCOTT LIMITED

Notes to the financial statements for the year ended 31 March 2004

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7. Tangible fixed assets	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2003	13,382	15,776	17,060	20,285	66,503
Additions	4,892	1,321	2,643	-	8,856
At 31 March 2004	<u>18,274</u>	<u>17,097</u>	<u>19,703</u>	<u>20,285</u>	<u>75,359</u>
Depreciation					
At 1 April 2003	4,014	10,553	8,304	10,305	33,176
Charge for the year	2,037	981	1,710	2,495	7,223
At 31 March 2004	<u>6,051</u>	<u>11,534</u>	<u>10,014</u>	<u>12,800</u>	<u>40,399</u>
Net book values					
At 31 March 2004	<u>12,223</u>	<u>5,563</u>	<u>9,689</u>	<u>7,485</u>	<u>34,960</u>
At 31 March 2003	<u>9,368</u>	<u>5,223</u>	<u>8,756</u>	<u>9,980</u>	<u>33,327</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2004		2003	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Motor vehicles	<u>3,100</u>	<u>1,034</u>	<u>4,134</u>	<u>1,378</u>
8. Debtors			2004	2003
			£	£
Trade debtors			255,444	290,592
Other debtors			6,538	6,443
			<u>261,982</u>	<u>297,035</u>

SINCLAIR SCOTT LIMITED

Notes to the financial statements for the year ended 31 March 2004

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9. Creditors: amounts falling due within one year	2004 £	2003 £
Bank overdraft	13,920	-
Net obligations under finance leases and hire purchase contracts	769	1,845
Trade creditors	49,573	159,503
Corporation tax	13,543	12,401
Other taxes and social security costs	34,819	20,280
Other creditors	1,567	337
Accruals and deferred income	5,127	5,506
	<u>119,318</u>	<u>199,872</u>

The company's bank borrowings are secured by means of a Bond and Floating Charge over all assets and undertakings; Personal Guarantee for £30,000 from the directors supported by a letter of undertaking acknowledging that two of the directors personal assets collateralise the Guarantee.

10. Creditors: amounts falling due after more than one year	2004 £	2003 £
Net obligations under finance leases and hire purchase contracts	-	769
	<u>-</u>	<u>769</u>

11. Share capital	2004 £	2003 £
Authorised		
10,000 Ordinary shares of 1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
200 Ordinary shares of 1 each	<u>200</u>	<u>200</u>

SINCLAIR SCOTT LIMITED

**Notes to the financial statements
for the year ended 31 March 2004**

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12. Related party transactions

The company trades from premises owned by Sinclair Scott (Properties) Limited a company the entire share capital of which is owned by the Directors of Sinclair Scott Limited. Sinclair Scott Limited paid a rent of £19,200 (2003 - £19,400) to Sinclair Scott (Properties) Limited.