

G FORD & SON LIMITED
COMPANY REGISTRATION - SC104331
FINANCIAL STATEMENTS
31 MAY 2000



**REPORT OF THE DIRECTORS
YEAR ENDED 31 MAY 2000**

The directors submit their report and the financial statements.

PRINCIPAL ACTIVITIES

The principal activity is painters and decorators.

RESULTS

The results are shown on page 3.

DIRECTORS AND THEIR RESULTS

Mr D Ford and Mr G Roy acted throughout the year. Their interest in the company's shares at 1 June 1999 and 31 May 2000, were -

D Ford	52 shares
G Roy	40 shares

TANGIBLE FIXED ASSETS

Movements in fixed assets are detailed in note 6 to the accounts.

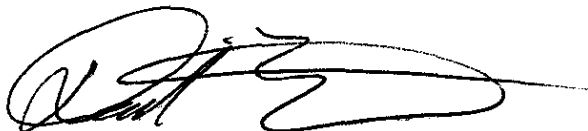
AUDITORS

A resolution will be proposed at the annual general meeting to re-appoint Hutchison & Co, Chartered Accountants, as auditors of the company until the next general meeting at which financial statements are presented.

SMALL COMPANY RULES

These accounts have been 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.

On behalf of the Board



Secretary

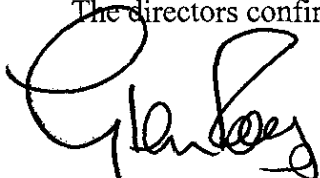
**REPORT OF THE DIRECTORS
YEAR ENDED 31 MAY 2000**

Company law requires the directors to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the company and of the profit of the company for that year. 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.

The directors confirm that the financial statements comply with the above requirements.



Director

PROFIT AND LOSS
YEAR ENDED 31 MAY 2000

	NOTE	£	1999 £
TURNOVER	1	661,272	610,302
COST OF SALES		<u>410,614</u>	<u>404,810</u>
GROSS PROFIT		250,658	205,492
ADMINISTRATIVE EXPENSES		<u>175,658</u> 75,000	<u>155,714</u> 49,778
INTEREST RECEIVABLE		<u>129</u> 75,129	<u>509</u> 50,287
INTEREST PAYABLE	2	<u>1,602</u>	<u>2,458</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	3	73,527	47,829
TAX ON PROFIT ON ORDINARY ACTIVITIES	4	<u>15,014</u>	<u>11,825</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAX		58,513	36,004
DIVIDEND	5	<u>25,000</u> 33,513	<u>25,000</u> 11,004
RETAINED PROFIT BROUGHT FORWARD		91,737	80,733
RETAINED PROFIT CARRIED FORWARD		<u>125,250</u>	<u>91,737</u>

References are to the notes on pages 5 to 9.

BALANCE SHEET AT 31 MAY 2000

	NOTE	£	1999 £
TANGIBLE FIXED ASSETS	6	47,225	56,042
CURRENT ASSETS			
Stocks		3,150	2,580
Debtors	7	87,137	149,524
Cash at bank		<u>78,060</u>	<u>21,094</u>
		168,347	173,198
CREDITORS			
(amounts falling due within one year)	8	<u>78,137</u>	<u>121,975</u>
NET CURRENT ASSETS		<u>90,210</u>	<u>51,223</u>
		137,435	107,265
CREDITORS			
(amounts falling due after one year)	9	9,788	12,520
PROVISION FOR LIABILITIES			
Deferred taxation	10	<u>2,297</u>	<u>2,908</u>
		<u>12,085</u>	<u>15,428</u>
NET ASSETS		<u>125,350</u>	<u>91,837</u>
CAPITAL AND RESERVES			
Share capital	11	100	100
Profit and loss account		125,250	91,737
SHAREHOLDERS FUNDS		<u>125,350</u>	<u>91,837</u>

References are to the notes on pages 5 to 9.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) were approved by the board on -

- 8 JAN 2001



- Director

NOTES ON FINANCIAL STATEMENTS
31 MAY 2000**1. ACCOUNTING POLICIES****a) Basis of accounting -**

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

b) Depreciation -

Tangible fixed assets are depreciated at rates expected to reduce costs to estimated residual value over their useful lives. The following annual rates have been used -

Leasehold property	33% straight line
Plant and machinery	15% reducing balance
Motor vehicles	25% reducing balance
Computer equipment	33% straight line

c) Stocks -

Stocks are valued at the lower of cost and net realisable value

d) Leasing and hire purchase commitments -

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their 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 the rental obligations is charged to the profit and loss account over the period of the lease.

e) Deferred taxation -

Provision is made under the liability method for corporation tax deferred by accelerated capital allowances and by other short term timing differences.

f) Pensions -

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account when paid.

g) Turnover -

Turnover represents net invoiced sales of services.

NOTES ON FINANCIAL STATEMENTS (CONTINUED)
31 MAY 2000

	1999	
	£	£
2. INTEREST PAYABLE		
Bank overdraft interest	25	311
Hire purchase interest	<u>1,577</u>	<u>2,147</u>
	<u>1,602</u>	<u>2,458</u>
3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION is stated after charging -	£	£
Directors remuneration for management services	62,937	61,456
Depreciation -		
owned assets	12,773	3,533
hire purchased assets	7,542	7,030
Auditors remuneration	<u>1,845</u>	<u>1,775</u>
4. TAX ON PROFIT ON ORDINARY ACTIVITIES	£	£
Current year -		
Corporation tax at 20% (1999 - 20.83%)	15,130	8,917
Transfer to deferred tax provision	<u>(611)</u>	<u>1,294</u>
	14,519	10,211
Add		
Prior year -		
Corporation tax payable	495	-
Transfer to deferred tax provision	<u>15,014</u>	<u>11,825</u>
	<u>15,014</u>	<u>11,825</u>
The company is a close company within the meaning of the Income and Corporation Taxes Act 1988.		
5. DIVIDEND	£	£
Final - paid 31 May 2000	<u>25,000</u>	<u>25,000</u>

NOTES ON FINANCIAL STATEMENTS (CONTINUED)
31 MAY 2000

6. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Plant and Equipment	Computer Equipment	Motor Vehicles	Total
Cost -	£	£	£	£	£
At 1 June 1999	2,416	4,844	2,808	77,308	87,376
Additions in year	-	-	-	17,698	17,698
Disposal in year	(-)	(-)	(-)	(27,251)	(27,251)
At 31 May 2000	<u>2,416</u>	<u>4,844</u>	<u>2,808</u>	<u>67,755</u>	<u>77,823</u>
Depreciation -					
At 1 June 1999	2,416	2,996	2,323	23,599	31,334
Charge for year	-	277	485	19,553	20,315
Disposals in year	(-)	(-)	(-)	(21,051)	(21,051)
At 31 May 2000	<u>2,416</u>	<u>3,273</u>	<u>2,808</u>	<u>22,101</u>	<u>30,598</u>
Net book value					
At 31 May 2000	<u>-</u>	<u>1,571</u>	<u>-</u>	<u>45,654</u>	<u>47,225</u>
At 31 May 1999	<u>-</u>	<u>1,848</u>	<u>485</u>	<u>53,709</u>	<u>56,042</u>

The cost of motor vehicles at 31 May 2000 includes an amount of £45,730 (1999 £59,498) representing assets held under hire purchase contracts. The depreciation charged during the year on these assets was £7,542 (1999 £7,030).

	1999	
	£	£
7. DEBTORS (falling due within one year)		
Trade debtors	87,137	149,524
Other debtors	-	-
	<u>87,137</u>	<u>149,524</u>
8. CREDITORS (falling due within one year)		
Trade creditors	12,776	36,097
Directors current account	17,000	33,733
Hire purchase liabilities	8,303	13,584
Corporation tax	15,130	8,917
Other taxes and social security costs	23,153	27,884
Other creditors	<u>1,775</u>	<u>1,760</u>
	<u>78,137</u>	<u>121,975</u>
9. CREDITORS (falling due after one year)		
Hire purchase liabilities	<u>9,788</u>	<u>12,520</u>

NOTES ON FINANCIAL STATEMENTS (CONTINUED)
31 MAY 2000

	1999	
	£	£
10. DEFERRED TAXATION		
Accelerated capital allowances	<u>2,297</u>	<u>2,908</u>
11. SHARE CAPITAL		
Authorised, allotted, called up and fully paid -	£	£
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
12. COMPANY PENSION SCHEME		
The company operates a defined contribution pension scheme. The pension cost charge represents contributions payable by the company to the fund and amounted to £8,700 (1999 £7,701)		
13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS	£	£
Amounts payable -		
Within one year	9,409	14,130
Within two to five years	<u>11,091</u>	<u>15,363</u>
	20,500	29,493
Less -		
Finance charges allocated to future periods	<u>2,409</u>	<u>3,389</u>
	<u>18,091</u>	<u>26,104</u>
Hire purchase contracts are analysed as follows -		
Current obligations	8,303	13,584
Non current obligations	<u>9,788</u>	<u>12,520</u>
	<u>18,091</u>	<u>26,104</u>

G FORD & SON LIMITED

We have audited the financial statements on page 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective Responsibilities of Directors and Auditors

As described on page 2, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with 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 mis-statement, 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 May 2000 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



Hutchison & Co
Chartered Accountants
and Registered Auditor
B5 Whitecrook Centre
78 Whitecrook Street
Clydebank
G81 1QF

Date: 15 JAN 2001