

REGISTERED NUMBER: 134666 (Scotland)

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2004
FOR
TAYLORS INDUSTRIAL SERVICES LIMITED**



TAYLORS INDUSTRIAL SERVICES LIMITED

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FOR THE YEAR ENDED 31 OCTOBER 2004**

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TAYLORS INDUSTRIAL SERVICES LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2004**

DIRECTORS:	A Taylor K Taylor
SECRETARY:	Mrs A Taylor
REGISTERED OFFICE:	Hareness Circle Altens Industrial Estate Altens Aberdeen AB12 3LY
REGISTERED NUMBER:	134666 (Scotland)
AUDITORS:	Charles Edmond Chartered Accountants 23 Carden Place Aberdeen AB10 1UQ
BANKERS:	Bank of Scotland Tullos Branch 10 Greenwell Road Aberdeen AB12 3AZ
SOLICITORS:	Paull & Williamson Investment House 6 Union Row Aberdeen AB10 1DQ

TAYLORS INDUSTRIAL SERVICES LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 OCTOBER 2004

The directors present their report with the financial statements of the company for the year ended 31 October 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of industrial cleaning services to the waste disposal industry.

REVIEW OF BUSINESS

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

The directors are satisfied with the results for the year and look forward to continued profitability.

DIVIDENDS

Interim dividends of £6,000 per share were paid during the year. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 October 2004 will be £600,000.

DIRECTORS

The directors during the year under review were:

A Taylor
K Taylor

The beneficial interests of the directors holding office on 31 October 2004 in the issued share capital of the company were as follows:

	31.10.04	1.11.03
Ordinary shares £1 shares		
A Taylor	50	50
K Taylor	50	50

STATEMENT OF 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 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.

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.

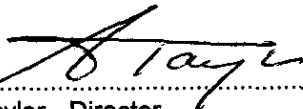
TAYLORS INDUSTRIAL SERVICES LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2004**

AUDITORS

The auditors, Charles Edmond, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
A Taylor - Director

Date: 11 5 05

**REPORT OF THE INDEPENDENT AUDITORS TO
TAYLORS INDUSTRIAL SERVICES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages five to nineteen, together with the full financial statements of the company for the year ended 31 October 2004 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

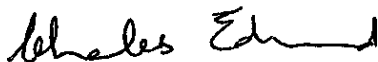
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision 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 Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages five to nineteen are properly prepared in accordance with that provision.



Charles Edmond
Chartered Accountants
23 Carden Place
Aberdeen
AB10 1UQ

Date: 11 May 2005

TAYLORS INDUSTRIAL SERVICES LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2004**

	Notes	31.10.04		31.10.03	
		£	£	£	£
GROSS PROFIT			6,822,224		6,561,399
Administrative expenses			3,128,357		3,204,214
OPERATING PROFIT	3		3,693,867		3,357,185
Income from fixed asset investments		70,786		93,636	
Interest receivable and similar income		88,093		95,768	
			158,879		189,404
			3,852,746		3,546,589
Interest payable and similar charges	4		25,357		11,771
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			3,827,389		3,534,818
Tax on profit on ordinary activities	5		1,166,067		1,031,798
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			2,661,322		2,503,020
Dividends	6		600,000		200,000
RETAINED PROFIT FOR THE YEAR			2,061,322		2,303,020

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

The notes form part of these abbreviated accounts

TAYLORS INDUSTRIAL SERVICES LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 2004**

	31.10.04 £	31.10.03 £
PROFIT FOR THE FINANCIAL YEAR	2,661,322	2,503,020
Surplus on revaluation	491,412	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>3,152,734</u>	<u>2,503,020</u>

The notes form part of these abbreviated accounts

TAYLORS INDUSTRIAL SERVICES LIMITED

ABBREVIATED BALANCE SHEET
31 OCTOBER 2004

	Notes	31.10.04 £	£	31.10.03 £	£
FIXED ASSETS					
Tangible assets	7		7,433,729		5,092,478
Investments	8		5,684,037		1,679,808
			<u>13,117,766</u>		<u>6,772,286</u>
CURRENT ASSETS					
Debtors	9	2,429,076		1,932,020	
Cash at bank and in hand		-		3,970,485	
		<u>2,429,076</u>		<u>5,902,505</u>	
CREDITORS					
Amounts falling due within one year	10	1,779,213		1,456,303	
NET CURRENT ASSETS			<u>649,863</u>		<u>4,446,202</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>13,767,629</u>		<u>11,218,488</u>
CREDITORS					
Amounts falling due after more than one year	11		(53,036)		(73,374)
PROVISIONS FOR LIABILITIES AND CHARGES	15		<u>(335,435)</u>		<u>(318,690)</u>
			<u>13,379,158</u>		<u>10,826,424</u>
CAPITAL AND RESERVES					
Called up share capital	16		100		100
Revaluation reserve	17		691,412		200,000
Profit and loss account	17		12,687,646		10,626,324
SHAREHOLDERS' FUNDS	19		<u>13,379,158</u>		<u>10,826,424</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.

ON BEHALF OF THE BOARD:


.....
A Taylor - Director

Approved by the Board on 11 5 05

The notes form part of these abbreviated accounts

TAYLORS INDUSTRIAL SERVICES LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2004**

	Notes	31.10.04 £	£	31.10.03 £	£
Net cash inflow from operating activities	1		3,868,675		2,935,517
Returns on investments and servicing of finance	2		133,522		177,633
Taxation	2		(1,154,753)		(620,956)
Capital expenditure and financial investment	2		(6,309,123)		(282,559)
Acquisitions and disposals	2		(180,329)		-
Equity dividends paid			(600,000)		(200,000)
			(4,242,008)		2,009,635
Financing	2		(20,338)		(15,549)
(Decrease)/Increase in cash in the period			<u>(4,262,346)</u>		<u>1,994,086</u>
Reconciliation of net cash flow to movement in net funds	3				
(Decrease)/Increase in cash in the period			(4,262,346)		1,994,086
Cash outflow from decrease in debt and lease financing			<u>20,338</u>		<u>15,549</u>
Change in net funds resulting from cash flows			(4,242,008)		2,009,635
Movement in net funds in the period			(4,242,008)		2,009,635
Net funds at 1 November			<u>3,881,047</u>		<u>1,871,412</u>
Net (debt)/funds at 31 October			<u>(360,961)</u>		<u>3,881,047</u>

The notes form part of these abbreviated accounts

TAYLORS INDUSTRIAL SERVICES LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2004**

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

	31.10.04 £	31.10.03 £
Operating profit	3,693,867	3,357,185
Depreciation charges	472,607	410,921
Profit on disposal of fixed assets	(17,452)	(34,705)
(Increase)/Decrease in debtors	(316,727)	128,148
Increase/(Decrease) in creditors	36,380	(926,032)
Net cash inflow from operating activities	3,868,675	2,935,517

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

	31.10.04 £	31.10.03 £
Returns on investments and servicing of finance		
Interest received	88,093	95,768
Interest paid	(20,000)	(1,563)
Interest element of hire purchase payments	(5,357)	(10,208)
Dividends received	70,786	93,636
Net cash inflow for returns on investments and servicing of finance	133,522	177,633
Taxation		
Taxation paid	(1,185,932)	(620,956)
Taxation refund	31,179	-
Net cash outflow for taxation	(1,154,753)	(620,956)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(2,838,387)	(396,983)
Purchase of fixed asset investments	(3,512,717)	(149,796)
Sale of tangible fixed assets	41,981	12,860
Sale of fixed asset investments	-	251,360
Net cash outflow for capital expenditure and financial investment	(6,309,123)	(282,559)
Acquisitions and disposals		
Loan to related party	(180,329)	-
Net cash outflow for acquisitions and disposals	(180,329)	-

The notes form part of these abbreviated accounts

TAYLORS INDUSTRIAL SERVICES LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2004**

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

	31.10.04 £	31.10.03 £
Financing		
Capital repayments in year	(20,338)	(15,549)
Amount introduced by directors	-	(3,832)
Amount withdrawn by directors	-	3,832
Net cash outflow from financing	<u>(20,338)</u>	<u>(15,549)</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.11.03 £	Cash flow £	At 31.10.04 £
Net cash:			
Cash at bank and in hand	3,970,485	(3,970,485)	-
Bank overdraft	-	(291,861)	(291,861)
	<u>3,970,485</u>	<u>(4,262,346)</u>	<u>(291,861)</u>
Debt:			
Hire purchase	(89,438)	20,338	(69,100)
	<u>(89,438)</u>	<u>20,338</u>	<u>(69,100)</u>
Total	<u>3,881,047</u>	<u>(4,242,008)</u>	<u>(360,961)</u>

The notes form part of these abbreviated accounts

TAYLORS INDUSTRIAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2004

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of investment properties.

Exemption from preparing consolidated financial statements

The financial statements contain information about Taylors Industrial Services Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirements to prepare consolidated financial statements.

Turnover

Turnover represents net invoiced sales of goods, 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 or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Plant and machinery	- 15 - 25% reducing balance
Motor vehicles	- 15 - 25% reducing balance

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.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Investment properties

In accordance with SSAP 19, investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation is provided in respect of investment properties.

The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, because these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot easily be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

TAYLORS INDUSTRIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2004**

2. STAFF COSTS

	31.10.04	31.10.03
	£	£
Wages and salaries	2,179,818	2,139,656
Social security costs	240,019	235,494
Other pension costs	17,416	24,120
	<u>2,437,253</u>	<u>2,399,270</u>

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

	31.10.04	31.10.03
Sales	1	1
Administration	14	17
Drivers/labourers	65	33
Operations	5	15
	<u>85</u>	<u>66</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.10.04	31.10.03
	£	£
Hire of plant and machinery	15,595	4,133
Other operating leases	1,310	-
Depreciation - owned assets	456,345	394,209
Depreciation - assets on hire purchase contracts	16,262	16,711
Profit on disposal of fixed assets	(17,452)	(34,705)
Auditors remuneration	6,750	6,750
	<u>400,000</u>	<u>415,000</u>
Directors' emoluments	17,520	18,120
Directors' pension contributions to money purchase schemes		

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

	1	1
Money purchase schemes	<u>1</u>	<u>1</u>

Information regarding the highest paid director is as follows:

	31.10.04	31.10.03
	£	£
Emoluments etc	200,000	176,000
Pension contributions to money purchase schemes	-	18,120

TAYLORS INDUSTRIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2004**

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.10.04	31.10.03
	£	£
Bank interest	15,969	1,563
CT interest payable	4,031	-
Hire purchase	5,357	10,208
	<u>25,357</u>	<u>11,771</u>

5. TAXATION

Analysis of the tax charge

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

	31.10.04	31.10.03
	£	£
Current tax:		
UK corporation tax	1,140,000	996,610
Adjustment in respect of prior years	9,322	4,555
Total current tax	<u>1,149,322</u>	<u>1,001,165</u>
Deferred tax:		
Origination and reversal of timing differences	12,995	30,633
Adjustment in respect of prior year	3,750	-
Total deferred tax	<u>16,745</u>	<u>30,633</u>
Tax on profit on ordinary activities	<u>1,166,067</u>	<u>1,031,798</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:

	31.10.04	31.10.03
	£	£
Profit on ordinary activities before tax	<u>3,827,389</u>	<u>3,534,818</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2003 - 30%)	1,148,217	1,060,445
Effects of:		
Capital allowances in excess of depreciation	(12,994)	(29,548)
Expenses not deductible for tax purposes	26,013	7,983
Dividend income	(21,236)	(28,091)
Adjustments in respect of earlier periods	9,322	4,555
Gain on sale of listed investments	-	(14,179)
Current tax charge	<u>1,149,322</u>	<u>1,001,165</u>

TAYLORS INDUSTRIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2004**

6. DIVIDENDS

	31.10.04 £	31.10.03 £
Equity shares: Interim	<u>600,000</u>	<u>200,000</u>

7. TANGIBLE FIXED ASSETS

	Freehold property £	Investment properties £	Plant and machinery £
COST			
At 1 November 2003	1,514,573	1,253,658	2,426,438
Additions	386,750	1,886,468	367,235
Disposals	(25,480)	-	-
At 31 October 2004	<u>1,875,843</u>	<u>3,140,126</u>	<u>2,793,673</u>
DEPRECIATION			
At 1 November 2003	144,888	-	1,405,979
Charge for year	19,782	-	188,510
Eliminated on disposal	(1,019)	-	-
At 31 October 2004	<u>163,651</u>	<u>-</u>	<u>1,594,489</u>
NET BOOK VALUE			
At 31 October 2004	<u>1,712,192</u>	<u>3,140,126</u>	<u>1,199,184</u>
At 31 October 2003	<u>1,369,685</u>	<u>1,253,658</u>	<u>1,020,459</u>

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 November 2003	112,704	3,115,553	8,422,926
Additions	25,735	172,199	2,838,387
Disposals	-	(16,970)	(42,450)
At 31 October 2004	<u>138,439</u>	<u>3,270,782</u>	<u>11,218,863</u>
DEPRECIATION			
At 1 November 2003	82,915	1,696,666	3,330,448
Charge for year	9,947	254,368	472,607
Eliminated on disposal	-	(16,902)	(17,921)
At 31 October 2004	<u>92,862</u>	<u>1,934,132</u>	<u>3,785,134</u>
NET BOOK VALUE			
At 31 October 2004	<u>45,577</u>	<u>1,336,650</u>	<u>7,433,729</u>
At 31 October 2003	<u>29,789</u>	<u>1,418,887</u>	<u>5,092,478</u>

Included in cost of land and buildings is freehold land of £500,000 (2003 - £500,000) which is not depreciated.

TAYLORS INDUSTRIAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 31 OCTOBER 2004

7. TANGIBLE FIXED ASSETS - continued

The investment properties were revalued during the year to 31 October 2002 by the directors. The directors consider this to represent the open market value. The historical cost of the investment properties is £1,050,879 (2001: £1,050,879).

The net book value of tangible fixed assets includes £63,912 (2002 - £94,698) in respect of assets held under hire purchase agreements.

8. FIXED ASSET INVESTMENTS

	31.10.04 £	31.10.03 £
Shares in group undertakings	5,478,463	-
Participating interests	-	1,474,234
Other investments not loans	205,574	205,574
	<u>5,684,037</u>	<u>1,679,808</u>

Additional information is as follows:

	Shares in group undertakings £	Interest in joint venture £	Listed investments £	Totals £
COST				
At 1 November 2003	-	1,965,646	109,686	2,075,332
Additions	3,512,817	-	-	3,512,817
Reclassification/transfer	1,965,646	(1,965,646)	-	-
At 31 October 2004	<u>5,478,463</u>	<u>-</u>	<u>109,686</u>	<u>5,588,149</u>
PROVISIONS				
At 1 November 2003	-	491,412	-	491,412
Provision written back	(491,412)	-	-	(491,412)
Reclassification	491,412	(491,412)	-	-
At 31 October 2004	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET BOOK VALUE				
At 31 October 2004	<u>5,478,463</u>	<u>-</u>	<u>109,686</u>	<u>5,588,149</u>
At 31 October 2003	<u>-</u>	<u>1,474,234</u>	<u>109,686</u>	<u>1,583,920</u>

Investments (neither listed nor unlisted) were as follows:

	31.10.04 £	31.10.03 £
River Feugh fishing rights	<u>95,888</u>	<u>95,888</u>

TAYLORS INDUSTRIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2004**

8. FIXED ASSET INVESTMENTS - continued

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

Mountwest 229 Limited

Nature of business: Holding company

	% holding	31.10.04 £	31.10.03 £
Class of shares:			
Ordinary Shares	100.00	1,757,703	1,720,469
Preference Shares	100.00	37,234	(76,702)
Aggregate capital and reserves			
Profit/(Loss) for the year			

Easter Hatton Environmental (Wasteaway) Limited

Nature of business: Landfill site operator

	% holding	31.10.04 £	31.10.03 £
Class of shares:			
Ordinary Shares	100.00	2,804,258	1,820,539
Aggregate capital and reserves		983,719	507,901
Profit for the year			

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.04 £	31.10.03 £
Trade debtors	2,079,562	1,809,441
Amounts owed by group undertakings	215,994	11,064
Other debtors	4,530	4,750
Prepayments and accrued income	128,990	106,765
	2,429,076	1,932,020

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.04 £	31.10.03 £
Bank loans and overdrafts (see note 12)	291,861	-
Hire purchase contracts (see note 13)	16,064	16,064
Trade creditors	338,236	465,999
Amounts owed to group undertakings	125,622	-
Tax	555,000	560,431
Social security and other taxes	44,916	73,137
VAT	282,627	239,692
Other creditors	721	-
Directors' current accounts	3,832	3,832
Accruals and deferred income	120,334	97,148
	1,779,213	1,456,303

TAYLORS INDUSTRIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2004**

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.10.04 £	31.10.03 £
Hire purchase contracts (see note 13)	<u>53,036</u>	<u>73,374</u>

12. LOANS

An analysis of the maturity of loans is given below:

	31.10.04 £	31.10.03 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>291,861</u>	<u>-</u>

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	31.10.04 £	31.10.03 £
Net obligations repayable:		
Within one year	16,064	16,064
Between one and five years	<u>53,036</u>	<u>73,374</u>
	<u>69,100</u>	<u>89,438</u>

14. SECURED DEBTS

The company has given security of a bond and floating charge over the whole assets of the company and a standard security over the land and buildings at Hareness Circle, Altens.

Obligations under finance leases and hire purchase contracts are secured over the related assets.

15. PROVISION FOR LIABILITIES AND CHARGES

	31.10.04 £	31.10.03 £
Deferred tax	<u>335,435</u>	<u>318,690</u>
		Deferred tax
		£
Balance at 1 November 2003		318,690
Adjustment for earlier period		3,750
Current year movement		<u>12,995</u>
Balance at 31 October 2004		<u>335,435</u>

The provision for deferred taxation relates solely to accelerated capital allowances.

TAYLORS INDUSTRIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2004**

16. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	31.10.04	31.10.03
		value:	£	£
1,000,000	Ordinary shares	£1	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal	31.10.04	31.10.03
		value:	£	£
100	Ordinary shares	£1	<u>100</u>	<u>100</u>

17. RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 November 2003	10,626,324	200,000	10,826,324
Retained profit for the year	2,061,322	-	2,061,322
Movement in year	-	491,412	491,412
At 31 October 2004	<u>12,687,646</u>	<u>691,412</u>	<u>13,379,058</u>

18. TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the year ended 31 October 2004:
£

K Taylor

Balance outstanding at start of year	72
Balance outstanding at end of year	72
Maximum balance outstanding during year	<u>72</u>

A Taylor

Balance outstanding at start of year	3,760
Balance outstanding at end of year	3,760
Maximum balance outstanding during year	<u>3,760</u>

TAYLORS INDUSTRIAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2004

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.10.04 £	31.10.03 £
Profit for the financial year	2,661,322	2,503,020
Dividends	(600,000)	(200,000)
	2,061,322	2,303,020
Other recognised gains and losses relating to the year (net)	491,412	-
Net addition to shareholders' funds	2,552,734	2,303,020
Opening shareholders' funds	10,826,424	8,523,404
Closing shareholders' funds	13,379,158	10,826,424
Equity interests	13,379,158	10,826,424