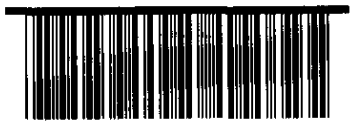
Unick Architects Limited

Annual report

for the year ended 31 December 2002

Registered Number SC183129



Unick Architects Limited

Annual report
for the year ended 31 December 2002

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Unick Architects Limited

Directors and advisers for the year ended 31 December 2002

Director
J S Unick

Secretary
G Unick
4 Park Gate
Glasgow
G3 6DL

Registered office
4 Park Gate
Glasgow
G3 6DL

Independent auditors
PricewaterhouseCoopers LLP
Kintyre House
209 West George Street
Glasgow
G2 2LW

Solicitors
MacRoberts
152 Bath Street
Glasgow
G2 4TB

Bankers
Bank of Scotland
Park House
Park Circus Place
Glasgow
G3 6AB

Unick Architects Limited

Director's report for the year ended 31 December 2002

The director presents his report and the audited financial statements of the company for the year ended 31 December 2002.

Principal activities
The principal activity is the supply of architectural services.

Review of business and future developments
2002 was a difficult year for trading and the results reflect the depressed market place both in the UK and overseas. The accounts reflect a reasonable performance given the circumstances and although turnover is down for the year, both overheads and costs have been tightly controlled. The director is encouraged by the prospect of increased workload through the year ahead and is optimistic that the results from future activity will be an improvement on the current year.

Results and dividends
The profit and loss account for the year is set out on page 5. The profit for the year is £57,229 (2001: £92,206). An interim dividend of 920p (2001: 0p) per ordinary share amounting to £92,000 (2001: £0) was paid by five monthly instalments from 31 May 2002 to 30 September 2002. The director does not recommend the payment of a final dividend.

Directors and their interests
The director who held office during the year is stated on page 1. No direct beneficial interest in the equity share capital of the company is held by the director.

Related party transactions
During the year, a motor vehicle with net book value of £nil was disposed to Mr J Unick, the Director, for a cash consideration of £15,000.

Statement of directors' responsibilities
Company law requires the director to prepare financial statements for each financial year that 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. The director is required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The director confirms that suitable accounting policies have been used and applied consistently. He also confirms that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2002 and that applicable accounting standards have been followed.

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. He is 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

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 20 February 2003 and the director appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By order of the Board



G Unick
Secretary
31 March 2003

Independent auditors' report to the members of Unick Architects Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes.

Respective responsibilities of directors and auditors
The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 is not disclosed.

Basis of audit 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 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.

Opinion
In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Glasgow
31 March 2003

Unick Architects Limited

Profit and loss account for the year ended 31 December 2002

	Note	2002	2001
		£	£
Turnover – (continuing operations)	1	**1,495,218**	1,752,456
Cost of sales		**(1,067,148)**	(1,219,919)
Gross profit		**428,070**	532,537
Net operating expenses		**(372,625)**	(416,551)
Operating profit – (continuing operations)	2	**55,445**	115,986
Other income		**18,000**	17,000
Profit on ordinary activities before interest and taxation		**73,445**	132,986
Interest receivable and similar income		**407**	1,410
Interest payable and similar charges	6	**(8,067)**	(21,681)
Profit on ordinary activities before taxation		**65,785**	112,715
Tax on profit on ordinary activities	7	**(8,556)**	(20,509)
Profit for the financial year		**57,229**	92,206
Dividend	8	**(92,000)**	-
(Retained loss)/ profit for the financial year	15	**(34,771)**	92,206

The company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and the historical cost equivalents.

Unick Architects Limited

Balance sheet as at 31 December 2002

	Note	2002	2001
		£	£
Fixed assets			
Tangible assets	9	**57,858**	85,280
Current assets			
Work in progress		**36,463**	46,998
Debtors	10	**248,983**	319,517
Cash at bank and in hand		**1,992**	12,971
		287,438	379,486
Creditors: amounts falling due within one year	11	**(279,932)**	(339,301)
Net current assets		**7,506**	40,185
Total assets less current liabilities		**65,364**	125,465
Creditors: amounts falling due after more than one year	12	**(123)**	(25,453)
Net assets		**65,241**	100,012
Capital and reserves			
Called up share capital	14	**10,000**	10,000
Profit and loss account	15	**55,241**	90,012
Total shareholders' funds	16	**65,241**	100,012

The financial statements on pages 5 to 14 were approved by the board and signed by the director on 31 March 2003.

J S Unick
Director

Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below. The company has adopted FRS19 'Deferred Tax' in the current year, although there is no impact on the prior year profit and loss account.

Basis of accounting
The financial statements have been prepared in accordance with the historical cost convention.

Tangible fixed assets
The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisitions. Depreciation is calculated so as to write off the cost of tangibles fixed assets, less their estimated residual value of all tangible fixed assets over their expected useful lives. The principal annual rates used for this purpose are:

Plant and machinery	-	20% reducing balance
Fixtures and fittings	-	25% straight line
Computer equipment	-	33% straight line

Work in progress
Work in progress represents costs incurred on projects which were ongoing at the year end.

Pension costs
The company operates a defined contribution scheme. The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

Finance and operating leases
Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements which transfer substantially all the benefits and risks of ownership of an asset are treated as if the asset has been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against the profit so as to give a constant periodic rate of charge on the remaining balance outstanding at each period. Assets held under finance leases are depreciated over the shorter of the lease terms and the useful lives of the equivalent owned assets.

Cash flow statement and related party disclosures
The accounts do not include a cash flow statement because the company qualifies as a small company under the terms of Section 247 of the Companies Act 1985 and is exempt from the requirements to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of Unick Holdings Limited.

Foreign currencies
Balances in foreign currencies are translated at rates of exchange ruling at the balance sheet date. Transactions during the year are converted at the rates of exchange ruling at the date of the transaction. All exchange differences are taken to the profit and loss account.

Deferred taxation
Under the rules of FRS19, deferred taxation has been recognised as an asset or liability if transactions have occurred at the balance sheet date that give rise to a right to pay less taxation in the future or an obligation to pay more taxation in the future. An asset is not recognised to the extent that transfers of economic benefits in the future is uncertain. Deferred tax assets and liabilities have not been discounted.

Notes to the financial statements for the year ended 31 December 2002

1 Turnover

Turnover is the invoice value of services provided, excluding VAT.

2 Operating profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation of tangible fixed assets		
- owned assets	**36,180**	43,092
- under finance leases	**7,622**	7,625
Operating lease charges		
- rental of property	**60,000**	60,000
Auditors' remuneration		
- audit services	**8,500**	7,500
- non-audit services	**5,775**	3,900

3 Director's emoluments

	2002	2001
	£	£
Aggregate emoluments (including benefits in kind)	**118,652**	121,283

Retirement benefits are accruing to the director under a defined contribution scheme.

4 Employee information

The average monthly number of persons (including executive directors) employed by the company during the year was:

By activity:	2002 Number	2001 Number
Administration	**28**	31

5 Employee costs

	2002 £	2001 £
Wages and salaries	**811,415**	820,295
Social security costs	**80,472**	79,637
Other pension costs (note 17)	**31,242**	31,578
Staff costs	**923,129**	931,510

6 Interest payable and similar charges

	2002 £	2001 £
Interest payable on bank overdraft	**6,048**	11,592
Interest payable on HP and finance leases	**1,603**	2,238
Interest payable on director's loan	**416**	7,851
Total interest and similar charges payable	**8,067**	21,681

7 Tax on profit on ordinary activities

	2002	2001
	£	£
UK Corporation Tax at 20%		
Current	**7,426**	18,837
Under provision in respect of prior years	**1,130**	1,672
	8,556	20,509
Double tax relief	**-**	-
Overseas tax	**-**	-
		-
Total current tax	**8,556**	20,509

The effective rate of tax is 13.01% (2001: 17.30%). The differences are explained below.

	2002	2001
	£	£
Profit on ordinary activities before tax	**65,785**	112,715
Profit on ordinary activities multiplied by small companies rate @ 18.28% (2001 20%)	**12,025**	22,543
Effects of:		
Expenses not deductible for tax	**1,234**	(1,125)
Adjustments to tax charge in respect of previous period	**1,130**	1,672
Deferred tax not recognised	**(5,833)**	(2,581)
Total current tax	**8,556**	20,509

8 Dividends

	2002	2001
	£	£
Equity - Ordinary		
Interim paid: 920p per £1 share	**92,000**	-
Final proposed	**-**	-
	92,000	-

9 Tangible assets

	Fittings and equipment	Motor vehicles	Total
	£	£	£
Cost or valuation			
As at 1 January 2002	704,282	87,420	791,702
Additions	16,380	-	16,380
Disposals	-	(56,920)	(56,920)
At 31 December 2002	**720,662**	**30,500**	**751,162**
Accumulated depreciation			
As at 1 January 2002	644,265	62,157	706,422
Charge for the year	33,790	10,012	43,802
Disposals	-	(56,920)	(56,920)
At 31 December 2002	**678,055**	**15,249**	**693,304**
Net book amount			
At 31 December 2002	**42,607**	**15,251**	**57,858**
At 31 December 2001	60,017	25,263	85,280

10 Debtors

	2002	2001
	£	£
Trade debtors	**219,772**	302,913
Other debtors	**-**	292
Prepayments and accrued income	**29,211**	16,312
	248,983	319,517

11 Creditors – Amounts falling due within one year

	2002	2001
	£	£
Bank overdraft	**152,936**	126,465
Trade creditors	**9,993**	41,795
HP creditors and finance leases (note 13)	**9,834**	9,833
Taxation and social security	**79,884**	97,493
Accruals and deferred income	**27,285**	63,715
	279,932	339,301

The bank overdraft is secured by a bond and floating charge over the company's whole assets, including uncalled capital.

12 Creditors – Amounts falling due after more than one year

	2002	2001
	£	£
Director's loan	**123**	15,619
HP creditors and finance leases (note 13)	**-**	9,834
	123	25,453

The director's loan bears interest at 5%.

13 HP creditors and finance leases

Future minimum payments under HP agreements and finance leases are as follows:

	2002	2001
	£	£
Within one year	**11,436**	11,436
In more than one year but less than five years	**-**	11,436
Total gross payments	**11,436**	22,872
Less finance charges included above	**(1,602)**	(3,205)
	9,834	19,667

14 Called up share capital

	2002	2001
	£	£
Authorised		
10,000 ordinary shares of £1 each	**10,000**	10,000
Allotted, called up and fully paid		
10,000 ordinary shares of £1 each	**10,000**	10,000

15 Reserves

	Profit and loss account
	£
At 1 January 2002	90,012
Loss for the financial year	(34,771)
At 31 December 2002	**55,241**

16 Reconciliation of movements in shareholders' funds

	2002	2001
	£	£
Profit for the financial year	**57,229**	92,206
Dividends	**(92,000)**	-
(Loss)/retained profit for the financial year	**(34,771)**	92,206
Shareholders' funds as at 1 January 2002	**100,012**	7,806
Shareholders' funds as at 31 December 2002	**65,241**	100,012

17 Pensions

The company contributed to a defined contribution pension scheme on behalf of its employees. The contributions during the year amounted to £31,242 (2001: £31,578) and there were no outstanding contributions at the year end.

18 Financial commitments

At 31 December 2002 the company had annual commitments under non cancellable operating leases expiring as follows:

	2002	2001
	£	£
Land and buildings		
- after five years	**60,000**	60,000

19 Ultimate parent undertaking

Unick Architects Limited is a wholly owned subsidiary of Unick Holdings Limited, a company incorporated in Scotland.

The ultimate parent undertaking and controlling party is Unick Holdings Limited. Copies of the Unick Holdings Limited financial statements can be obtained from 4 Park Gate, Glasgow, G3 6DL.