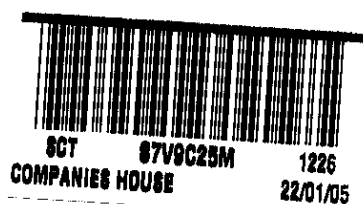


MATTHEW MACKENZIE LIMITED

REPORT AND ACCOUNTS

31 MARCH 2004



COMPANY REGISTRATION NO. SC246346

MATTHEW MACKENZIE LIMITED

REPORT OF THE DIRECTORS

The Directors present their report together with the accounts for the period ended 31 March 2004.

Principal Activity

The company commenced to trade on 1 May 2003. The principal activity in the period under review was the provision of electrical contracting services.

Directors

The directors during the period and their interests in the company's issued ordinary share capital were as follows:

	At 31 March 2004 Ordinary	At date of appointment Ordinary
Matthew D. Mackenzie (appointed 25 March 2003)	90	1
Mrs Fiona Mackenzie (appointed 25 March 2003)	10	—

Special Provisions relating to small companies

This report was approved by the Board on 21 December 2004 and has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board

15 Springfield Terrace
Alness
Ross-shire
IV17 0SP

Fiona Mackenzie

Mrs Fiona Mackenzie

MATTHEW MACKENZIE LIMITED**ACCOUNTANTS' REPORT TO THE DIRECTORS ON
THE UNAUDITED ACCOUNTS OF
MATTHEW MACKENZIE LIMITED**

As described on page 5 you are responsible for the preparation of the accounts and you consider that the company is exempt from an audit. In accordance with your instructions and in order to assist you to fulfil your responsibilities we have prepared the accounts on pages 3 to 9 from the accounting records and from the information and explanations supplied to us.

Alexandria House
64 High Street
Alness
IV17 OSG



BIAGI ASSOCIATES
Chartered Certified Accountants

21 December 2004

Biagi Associates is the trading name of Biagi Associates Limited

MATTHEW MACKENZIE LIMITED**PROFIT AND LOSS ACCOUNT**
for the period ended 31 March 2004

	Notes	2004 £
Turnover	1	123,194
Cost of sales		(85,626)
Gross Profit		37,568
Administrative expenses		(10,697)
Operating profit	2	26,871
Interest Receivable		166
Profit on ordinary activities before taxation		27,037
Taxation	3	(4,665)
Profit on ordinary activities after taxation		22,372
Dividends paid		-
Retained Profit carried forward		22,372

MATTHEW MACKENZIE LIMITED**BALANCE SHEET**

as at 31 March 2004

	Notes	2004 £
FIXED ASSETS		
Intangible assets	4	28,200
Tangible assets	5	6,755
		34,955
CURRENT ASSETS		
Stocks and work in progress		4,500
Debtors	6	20,787
Cash at bank and in hand		19,755
		45,042
CREDITORS		
Amounts falling due within one year	7	57,525
NET CURRENT LIABILITIES		(12,483)
TOTAL ASSETS LESS CURRENT LIABILITIES		22,472
CAPITAL AND RESERVES		
Called up share capital	8	100
Profit and loss account		22,372
		22,472

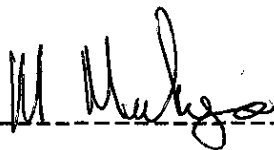
MATTHEW MACKENZIE LIMITED

BALANCE SHEET (cont'd)
as at 31 March 2004

For the period ended 31 March 2004, the company was entitled to the exemption from audit under section 249A(1) of the Companies Act 1985 and no notice has been deposited under section 249B(2) by a member requiring an audit.

The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the period and of its profit or loss for the financial period in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).



Matthew D. Mackenzie
DIRECTOR

Approved by the Board on 21 December 2004 and signed on its behalf.

Goodwill represents the excess of cost of acquisition over the fair value of the net assets of the business acquired. Goodwill is amortised through the profit and loss account in equal instalments over its estimated useful life of 15 years.

MATTHEW MACKENZIE LIMITED**NOTES TO THE ACCOUNTS**

for the period ended 31 March 2004

2. Operating profit

The operating profit is stated after charging:

	2004 £
Amortisation of intangible fixed assets	1,800
Depreciation of tangible fixed assets	2,000
Directors' salaries	8,814

3. Taxation

The tax charge on the profit on ordinary activities is as follows:

	2004 £
U. K. Corporation Tax	
Current tax	4,665

4. Intangible fixed assets

	Goodwill £
<u>Cost or valuation</u>	
At 1 May 2003	30,000
Additions	-
Disposals	-
At 31 March 2004	30,000
<u>Amortisation</u>	
At 1 May 2003	-
Charge for period	1,800
At 31 March 2004	1,800
<u>Netbook values:</u>	
At 31 March 2004	28,200

MATTHEW MACKENZIE LIMITED**NOTES TO THE ACCOUNTS
for the period ended 31 March 2004****5. Tangible Fixed Assets**

	Motor Vehicles £	Total £
<u>Cost or valuation</u>		
At 1 May 2003	14,745	14,745
Additions	-	-
Disposals	-	-
At 31 March 2004	14,745	14,745
<u>Depreciation</u>		
At 1 May 2003	5,990	5,990
Charge for period	2,000	2,000
At 31 March 2004	7,990	7,990
<u>Net book values:</u>		
At 31 March 2004	6,755	6,755

6. Debtors:

	2004 £
Trade debtors	17,715
CIS25 tax recoverable	3,072
	20,787

MATTHEW MACKENZIE LIMITED
NOTES TO THE ACCOUNTS
for the period ended 31 March 2004

7. Creditors:

Amounts falling due within one year:

	2004 £
Director's current account	35,523
HP creditors	2,955
Trade creditors	6,145
Value added tax	3,553
Corporation Tax	4,665
Taxation and social security	3,164
Sundry creditors	1,520
	57,525

8. Called up Share Capital

	2004 £
<u>Authorised</u>	
1,000 Ordinary shares of £1 each	1,000
<u>Allotted, called up and fully paid</u>	
100 Ordinary shares of £1 each	100

During the period 99 ordinary shares of £1 each were allotted and fully paid for cash at par

9. Related party transactions

During the period the company purchased goodwill to the value of £30,000 from a Director. The transaction was undertaken on commercial terms.

10. As this is the first period of trading, no corresponding amounts for the preceding year are shown.