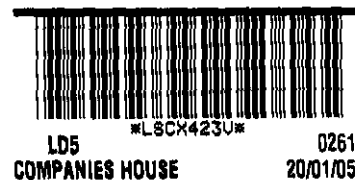


J. PREEDY & SONS LIMITED

Accounts

For the year ended 31st March 2004

Registered Number 372371 (England & Wales)



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J. PREEDY & SONS LIMITED

Auditors' Report to J Preedy & Sons Limited under s.247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 - 5, together with the financial statements of J Preedy & Sons Limited for the year ended 31st March 2004 prepared under s.226 of the **Companies Act 1985**.

Respective Responsibilities of Directors and Auditors

The Directors are responsible for preparing the abbreviated accounts in accordance with s.246 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 in accordance with s.246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with s.246(5) and (6) of the **Companies Act 1985**, and the abbreviated accounts on pages 2 - 5 are properly prepared in accordance with those provisions.



Waldman & Company - Chartered Accountants & Registered Auditors
Clevelands
Steels Lane
Oxshott
Surrey
KT22 0RF

19th January 2005

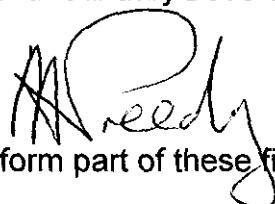
J. PREEDY & SONS LIMITED

Abbreviated Balance Sheet as at 31st March 2004

		2004		2003	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	2		1,245,937		1,337,784
Current assets					
Stocks		310,304		313,122	
Debtors		525,572		702,559	
Cash at bank and in hand		1,316,235		1,193,053	
		<u>2,152,111</u>		<u>2,208,734</u>	
Creditors: amounts falling due within one year	3	<u>(1,527,472)</u>		<u>(1,248,539)</u>	
Net current assets			<u>624,639</u>		<u>960,195</u>
Total assets less current liabilities			1,870,576		2,297,979
Creditors: amounts falling due after more than one year	3		(36,444)		(82,980)
Provision for liabilities and charges					
Deferred taxation			(192,699)		(177,659)
Net assets			<u>1,641,433</u>		<u>2,037,340</u>
Capital and reserves					
Called up share capital	4		5,000		5,000
Profit and loss account			<u>1,636,433</u>		<u>2,032,340</u>
Shareholders' funds			<u>1,641,433</u>		<u>2,037,340</u>

The abbreviated accounts which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies were approved by the board on 13th January 2005 and signed on it's behalf.

RT Preedy - Director



The notes on pages 3 to 5 form part of these financial statements.

Notes to the abbreviated accounts for the year ended 31st March 2004

1. Accounting policies

1.1 Basis of preparation of Financial Statements

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 comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings (excluding land)	- 2% per annum straight line basis
Leasehold property	- over the term of the lease
Plant & equipment	- 20% straight line basis
Motor cars	- 20% straight line basis
Commercial Vehicles	- 25% straight line basis
Computer equipment & office machinery	- 25% straight line basis
No depreciation is provided on freehold land	

1.4 Leasing & Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

Notes to the abbreviated accounts for the year ended 31st March 2004

1.5 Stocks & Work in Progress

Stocks & work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving stocks. Cost includes all direct cost and an appropriate proportion of fixed and variable overheads.

1.6 Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.7 Deferred taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

1.8 Pensions

(a) Directors

The Company operates a defined contribution pension scheme for the directors. Contributions for the year to 31st March 2004 were £60,000 charged in the Profit & Loss Account.

(b) Staff

The Company operates a defined benefit pension scheme available to all its staff. The assets of the scheme are held separately from those of the Company in an independently administered fund. At the balance sheet date unpaid contributions of £13,454 (2003 £9,000) were due to the fund and paid in April 2004. In addition the Company has an accumulated provision of £16,205 (2003 £13,370) against any additional liability.

J. PREEDY & SONS LIMITED

Notes to the abbreviated accounts for the year ended 31st March 2004

2. Tangible fixed assets

	Tangible Fixed Assets £
Cost	
1st April 2003	2,809,197
Additions	97,938
Disposals	(71,669)
31st March 2004	<u>2,835,466</u>
Depreciation	
1st April 2003	1,471,413
Charge for year	183,126
Disposals	(65,010)
31st March 2004	<u>1,589,529</u>
Net book amount	
31st March 2004	<u>1,245,937</u>
1st April 2003	<u>1,337,784</u>

3. Creditors

Creditors include the following amounts of secured liabilities

	2004 £	2003 £
Due within one year	46,536	53,927
Due after more than one year	36,444	82,980
	<u>82,980</u>	<u>136,907</u>

4. Called up share capital

	2004	2003
Authorised		
Ordinary shares of £1 each	5,000	5,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>