

Andrew Decorations Limited

Financial statements

For the period ended 31 December 2003



Company no.1208166



Company information

Registered office	The Leaze 40 Salter Street Berkeley Gloucestershire GL13 9DB
Directors	M Turl D J Robertson
Secretary	M Turl
Solicitors	BPE St James's House St James' Square Cheltenham Gloucestershire GL50 3PR
Auditors	Grant Thornton Chartered Accountants The Quadrangle Imperial Square Cheltenham GL50 1PZ

The directors present their report and financial statements of the company for the year ended 31 December 2003.

Principal activities and business review

The principal activity of the company continued to be that of a holding company. On 1 September 2003, the company and its subsidiary were purchased by Mears Decorating Services Limited.

Directors

The directors who served the company during the year were as follows:

M Turl
D J Robertson

P A Mortlock and Mrs P A Mortlock were directors during the period until their resignation on 1 September 2003. At 1 May 2005, P A Mortlock owned 150 ordinary £1 shares and Mrs P A Mortlock owned 150 ordinary £1 shares.

The company is a wholly owned subsidiary and the interests of Group directors are disclosed in the financial statements of the parent company.

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 at the end of the year and of the profit or loss for the year then ended. 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
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

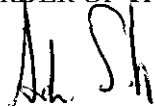
Auditors

Grant Thornton were appointed auditors on 1 September 2003 to fill a casual vacancy in accordance with section 388(1) of the Companies Act 1985.

On 1 July 2004, the Grant Thornton partnership will transfer its business to a limited liability partnership, Grant Thornton UK LLP and the directors have agreed to extend the audit appointment to Grant Thornton UK LLP with effect from 1 July 2004 in accordance with section 26(5) of the Companies Act 1989.

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD

A handwritten signature in dark ink, appearing to read 'A C M Smith', is written over the printed name below.

A C M Smith
Secretary
29 March 2004

Report of the independent auditors to the members of Andrew Decorations Limited

We have audited the financial statements of Andrew Decorations Limited for the period ended 31 December 2003 which comprise the profit and loss account, balance sheet and notes 1 to 9 including the principal accounting policies. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's member, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an 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 and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the report of the directors and the financial statements in accordance with 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.

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 with the company is not disclosed.

We read other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

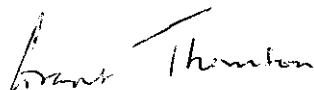
We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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.

The accompanying notes form part of these financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2003, and have been properly prepared in accordance with the Companies Act 1985.



GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
Cheltenham
29 March 2004

The accompanying notes form part of these financial statements.

Profit and loss account

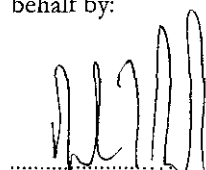
	Note	2003 £	2002 £
Turnover		—	10,000
Administrative expenses		—	(1,463)
Profit on ordinary activities before taxation		—	8,537
Tax on profit on ordinary activities		—	(840)
Profit on ordinary activities after taxation			7,697
Dividends		—	(25,000)
Loss for the year		—	(17,303)
Retained profit brought forward		5,441	22,744
Retained profit carried forward		5,441	5,441

The accompanying notes form part of these financial statements.

Balance sheet

	Note	2003 £	2002 £
Fixed assets			
Investments	3	100	100
Current assets			
Debtors		—	7,431
Creditors: amounts falling due within one year	4	<u>5,641</u>	<u>1,790</u>
Net current liabilities		<u>5,741</u>	<u>5,741</u>
Total assets less current liabilities		<u>5,741</u>	<u>5,741</u>
Capital and reserves			
Called-up equity share capital	6	300	300
Profit and Loss Account		<u>5,441</u>	<u>5,441</u>
Deficiency		<u>5,741</u>	<u>5,741</u>

These financial statements were approved by the directors on 29 March 2004 and are signed on their behalf by:



D J Robertson

The accompanying notes form part of these financial statements.

Notes to the financial statements

1 Accounting policies

Turnover

Turnover represents fees received from the subsidiary company.

Investments

Fixed asset investments are stated at cost.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Tax on profit on ordinary activities

	2003	2002
	£	£
Current tax charge	—	840

4 Fixed asset investments

	2003	2002
Cost and net book value	£	£
Shares in group undertakings	100	100

The company holds 100% of the issued share capital of Andrew Decorations (Bedford) Limited which is engaged in Painting and Decorating Services.

5 Debtors

	2003	2002
	£	£
Amounts owed by group undertakings	5,641	7,431

6 Creditors: amounts falling due within one year

	2003 £	2002 £
Corporation tax	—	840
Accruals and deferred income	—	950
	<u>—</u>	<u>1,790</u>

7 Related party transactions

As a wholly owned subsidiary of Mears Group PLC, the company is exempt from the requirements of Financial Reporting Standard 8: Related Party Transactions, to disclose transactions with other members of the group headed by Mears Group PLC on the grounds that group accounts are publicly available.

8 Share capital

Authorised share capital:

	2003 £	2002 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2003 £	2002 £
300 Ordinary shares of £1 each	<u>100</u>	<u>300</u>

9 Ultimate parent company

The directors consider that the ultimate parent undertaking and controlling related party of this company is its parent company Mears Group PLC by virtue of its ownership of 100% of the issued share capital.

The largest group of undertakings for which group accounts have been drawn up is that headed by Mears Group PLC. The smallest group of undertakings for which group accounts have been drawn up is that headed by Mears Decorating Services Limited. These accounts are available at the registered office of this company.