

21 JUL 2005

Report of the Directors and
Unaudited Financial Statements
for the Period 25th May 2004 to 31st May 2005
for
TILE NORTH EAST LIMITED



A31
COMPANIES HOUSE

AU25U7A0

0410
26/07/05

TILE NORTH EAST LIMITED

Contents of the Financial Statements
for the Period 25th May 2004 to 31st May 2005

	Page
Company Information	1
Report of the Directors	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	6
Report of the Accountants	9
Trading and Profit and Loss Account	10

TILE NORTH EAST LIMITED

Company Information

for the Period 25th May 2004 to 31st May 2005

DIRECTORS:

Michael Freedman
Henry Cairns
Donald Oswald Gibbling

SECRETARY:

Michael Freedman

REGISTERED OFFICE:

Unit 3
Hubbway Business Centre
Cramlington
Northumberland
NE23 8AD

REGISTERED NUMBER:

5137180 (England and Wales)

ACCOUNTANTS:

Moore Bennett Limited
299a Whitley Road
Whitley Bay
Tyne and Wear
NE26 2SN

TILE NORTH EAST LIMITED

Report of the Directors **for the Period 25th May 2004 to 31st May 2005**

The directors present their report with the financial statements of the company for the period 25th May 2004 to 31st May 2005.

INCORPORATION

The company was incorporated on 25th May 2004 and commenced trading on 1st October 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of tile distributors.

DIRECTORS

The directors during the period under review were:

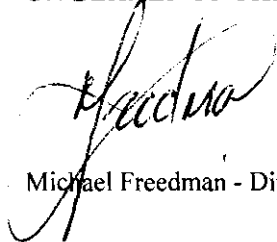
Michael Freedman	- appointed 25/5/04
Henry Cairns	- appointed 25/5/04
Donald Oswald Gibbling	- appointed 25/5/04

The beneficial interests of the directors holding office on 31st May 2005 in the issued share capital of the company were as follows:

	31/5/05	at date of appointment
Ordinary £1 shares		
Michael Freedman	500	500
Henry Cairns	500	500
Donald Oswald Gibbling	500	500

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



Michael Freedman - Director

11th July 2005

TILE NORTH EAST LIMITED**Profit and Loss Account****for the Period 25th May 2004 to 31st May 2005**

	Notes	£
TURNOVER		143,861
Cost of sales		<u>94,253</u>
GROSS PROFIT		49,608
Administrative expenses		<u>51,417</u>
OPERATING LOSS	2	(1,809)
Interest receivable and similar income		<u>1,398</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(411)
Tax on loss on ordinary activities	3	<u>2,483</u>
LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION		(2,894)
Dividends	4	<u>13,068</u>
DEFICIT FOR THE PERIOD		<u>(15,962)</u>

The notes form part of these financial statements

TILE NORTH EAST LIMITED**Balance Sheet**
31st May 2005

	Notes	£	£
FIXED ASSETS			
Tangible assets	5		26,292
CURRENT ASSETS			
Stocks	6	56,846	
Debtors	7	36,558	
Cash at bank and in hand		68,796	
		162,200	
CREDITORS			
Amounts falling due within one year	8	51,971	
NET CURRENT ASSETS			110,229
TOTAL ASSETS LESS CURRENT LIABILITIES			136,521
CREDITORS			
Amounts falling due after more than one year	9		150,983
			(14,462)
CAPITAL AND RESERVES			
Called up share capital	10		1,500
Profit and loss account	11		(15,962)
SHAREHOLDERS' FUNDS			(14,462)

The notes form part of these financial statements

TILE NORTH EAST LIMITED

Balance Sheet - continued

31st May 2005

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 31st May 2005.

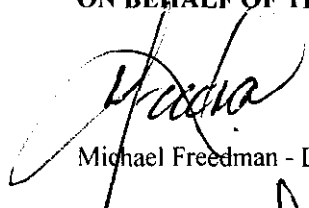
The members have not required the company to obtain an audit of its financial statements for the period ended 31st May 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements 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).

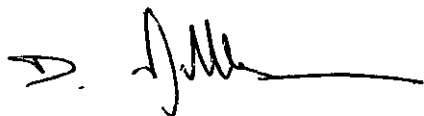
ON BEHALF OF THE BOARD:



Michael Freedman - Director



Henry Cairns - Director



Donald Oswald Gibbling - Director

Approved by the Board on 11th July 2005

TILE NORTH EAST LIMITED

Notes to the Financial Statements **for the Period 25th May 2004 to 31st May 2005**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

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.

Improvements to property	- not provided
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Van	- 25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. OPERATING LOSS

The operating loss is stated after charging:

	£
Depreciation - owned assets	5,817
Formation costs	154
	<u> </u>
Directors' emoluments	7,005
	<u> </u>

3. TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the period was as follows:

	£
Current tax:	
UK corporation tax	2,483
	<u> </u>
Tax on loss on ordinary activities	2,483
	<u> </u>

UK corporation tax has been charged at 19%.

4. DIVIDENDS

	£
Interim	13,068
	<u> </u>

TILE NORTH EAST LIMITED**Notes to the Financial Statements - continued**
for the Period 25th May 2004 to 31st May 2005**5. TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Van £	Totals £
COST					
Additions	5,905	12,359	1,160	12,685	32,109
At 31st May 2005	5,905	12,359	1,160	12,685	32,109
DEPRECIATION					
Charge for period	-	2,472	174	3,171	5,817
At 31st May 2005	-	2,472	174	3,171	5,817
NET BOOK VALUE					
At 31st May 2005	5,905	9,887	986	9,514	26,292

6. STOCKS

Stocks	£ 56,846
--------	-------------

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade debtors	£ 34,058
Prepayments	2,500
	36,558

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors	£ 42,466
Social security and other taxes	227
VAT	8,478
Accrued expenses	800
	51,971

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

Tax	£ 2,483
Directors loan accounts	148,500
	150,983

TILE NORTH EAST LIMITED

Notes to the Financial Statements - continued
for the Period 25th May 2004 to 31st May 2005

10. CALLED UP SHARE CAPITAL

Authorised:			
Number:	Class:	Nominal value:	£
5,000	Ordinary	£1	<u>5,000</u>

Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	£
1,500	Ordinary	£1	<u>1,500</u>

11. RESERVES

	Profit and loss account
	£
Deficit for the period	<u>(15,962)</u>
At 31st May 2005	<u>(15,962)</u>

TILE NORTH EAST LIMITED

Report of the Accountants to the Directors of
TILE NORTH EAST LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the period ended 31st May 2005 set out on pages three to eight and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Moore Bennett Ltd

Moore Bennett Limited
299a Whitley Road
Whitley Bay
Tyne and Wear
NE26 2SN

11th July 2005