

Abbreviated Accounts for the Year Ended 31 March 2005

for

Kilwuddie Construction Limited



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for the Year Ended 31 March 2005

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Company Information
for the Year Ended 31 March 2005

DIRECTORS:	Mr J J Jordan Mr W W Boyd Mr F Lyttle
SECRETARY:	M C Jordan
REGISTERED OFFICE:	Kilwuddie House 8 Chapel Road Strathaven ML10 6NA
REGISTERED NUMBER:	149844
AUDITORS:	Whitelaw & Co Registered Auditors 17c Townhead Street Strathaven ML10 6AB
SOLICITORS:	Frederick & Co 1622 Paisley Road West Glasgow G52 3QN

Report of the Directors
for the Year Ended 31 March 2005

The directors present their report with the accounts of the company for the year ended 31 March 2005.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of building and civil engineering contracting.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2005.

FUTURE DEVELOPMENTS

The company plans to continue expansion by increasing turnover and developing its fixed asset base.

DIRECTORS

The directors during the year under review were:

Mr J J Jordan
Mr W W Boyd
Mr F Lyttle

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

	31.3.05	1.4.04
Ordinary £1 shares		
Mr J J Jordan	80	80
Mr W W Boyd	20	20
Mr F Lyttle	-	-

CHARITABLE DONATIONS

During the year the company made charitable donations amounting to £3010. These donations were made to the following causes: cancer care - £400; children's charities - £2,200; OAP charities £100; various smaller donations - £310.

STATEMENT OF 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 and of the profit or loss of the company for that period. 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;
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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.

Report of the Directors
for the Year Ended 31 March 2005

AUDITORS

The auditors, Whitelaw & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

Mary Jordan

M C Jordan - Secretary

15 December 2005

We have examined the abbreviated accounts on pages five to sixteen, together with the full financial statements of the company for the year ended 31 March 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors


The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A 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 prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages five to sixteen are properly prepared in accordance with that provision.


Whitelaw & Co
Registered Auditors
17c Townhead Street
Strathaven
ML10 6AB

15 December 2005

Abbreviated Profit and Loss Account
for the Year Ended 31 March 2005

		31.3.05	31.3.04
	Notes	£	£
GROSS PROFIT		2,213,980	2,634,062
Administrative expenses		(2,155,016)	(2,490,771)
OPERATING PROFIT	3	58,964	143,291
Interest receivable and similar income		7,563	6,427
		66,527	149,718
Interest payable and similar charges	4	(44,502)	(76,477)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		22,025	73,241
Tax on profit on ordinary activities	5	68,159	(149,392)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		90,184	(76,151)
Retained profit brought forward		446,966	523,117
RETAINED PROFIT CARRIED FORWARD		<u>£537,150</u>	<u>£446,966</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

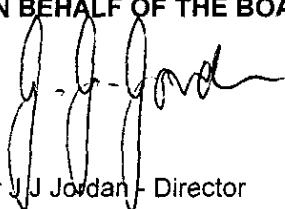
The notes form part of these abbreviated accounts

Abbreviated Balance Sheet
31 March 2005

		31.3.05	31.3.04
	Notes	£	£
FIXED ASSETS:			
Tangible assets	6	1,421,569	1,693,548
CURRENT ASSETS:			
Stocks	7	369,335	542,932
Debtors	8	2,703,064	3,355,669
Cash at bank and in hand		3,408	3,122
		3,075,807	3,901,723
CREDITORS: Amounts falling due within one year	9	(3,678,803)	(4,578,831)
NET CURRENT LIABILITIES:		(602,996)	(677,108)
TOTAL ASSETS LESS CURRENT LIABILITIES:		818,573	1,016,440
CREDITORS: Amounts falling due after more than one year	10	(215,710)	(419,982)
PROVISIONS FOR LIABILITIES AND CHARGES:	13	(65,613)	(149,392)
		<u>£537,250</u>	<u>£447,066</u>
CAPITAL AND RESERVES:			
Called up share capital	14	100	100
Profit and loss account		537,150	446,966
SHAREHOLDERS' FUNDS:	16	<u>£537,250</u>	<u>£447,066</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



Mr J J Jordan - Director

Approved by the Board on 15 December 2005

The notes form part of these abbreviated accounts

Cash Flow Statement
for the Year Ended 31 March 2005

		31.3.05	31.3.04
	Notes	£	£
Net cash inflow from operating activities	1	625,470	239,719
Returns on investments and servicing of finance	2	(36,939)	(70,050)
Capital expenditure	2	(16,598)	56,816
		571,933	226,485
Financing	2	(675,399)	(637,319)
Decrease in cash in the period		£(103,466)	£(410,834)
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Decrease in cash in the period		(103,466)	(410,834)
Cash outflow from decrease in debt and lease financing		645,365	702,450
Change in net debt resulting from cash flows		541,899	291,616
New finance leases		(121,318)	(530,158)
Movement in net debt in the period		420,581	(238,542)
Net debt at 1 April		(1,223,331)	(984,789)
Net debt at 31 March		£(802,750)	£(1,223,331)

The notes form part of these abbreviated accounts

Notes to the Cash Flow Statement
for the Year Ended 31 March 2005

1. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.3.05 £	31.3.04 £
Operating profit	58,964	143,291
Depreciation charges	404,535	415,506
Loss on sale of fixed assets	12,191	13,472
Profit on sale of fixed assets	-	(36,712)
Decrease/(Increase) in stocks	173,597	(272,861)
Decrease/(Increase) in debtors	645,773	(532,345)
(Decrease)/Increase in creditors	(669,590)	509,368
Net cash inflow from operating activities	625,470	239,719

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31.3.05 £	31.3.04 £
Returns on investments and servicing of finance		
Interest received	7,563	6,427
Interest element of hire purchase payments	(44,502)	(76,477)
Net cash outflow for returns on investments and servicing of finance	(36,939)	(70,050)
Capital expenditure		
Purchase of tangible fixed assets	(96,174)	(115,914)
Sale of tangible fixed assets	79,576	172,730
Net cash (outflow)/inflow for capital expenditure	(16,598)	56,816
Financing		
Capital repayments	(645,364)	(702,450)
Amount introduced by directors	-	65,131
Amount withdrawn by directors	(30,035)	-
Net cash outflow from financing	(675,399)	(637,319)

The notes form part of these abbreviated accounts

Notes to the Cash Flow Statement
for the Year Ended 31 March 2005

3. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.4.04 £	Cash flow £	Other non-cash changes £	At 31.3.05 £
Net cash:				
Cash at bank and in hand	3,122	286		3,408
Bank overdraft	(170,265)	(103,752)		(274,017)
	<u>(167,143)</u>	<u>(103,466)</u>		<u>(270,609)</u>
Debt:				
Hire purchase	(1,056,188)	645,365	(121,318)	(532,141)
	<u>(1,056,188)</u>	<u>645,365</u>	<u>(121,318)</u>	<u>(532,141)</u>
Total	<u>(1,223,331)</u>	<u>541,899</u>	<u>(121,318)</u>	<u>(802,750)</u>
Analysed in Balance Sheet				
Cash at bank and in hand	3,122			3,408
Bank overdraft	(170,265)			(274,017)
Hire purchase				
within one year	(636,206)			(316,431)
after one year	(419,982)			(215,710)
	<u>(1,223,331)</u>			<u>(802,750)</u>

The notes form part of these abbreviated accounts

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2005

1. ACCOUNTING POLICIES

Accounting convention

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 15% on cost
Motor vehicles	- 25% on reducing balance

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Turnover

Turnover comprises the invoice value of goods and services supplied by the company exclusive of VAT, except in respect of long term contracts where turnover represents the sales value of work done in year. All turnover derives from a single activity within the United Kingdom.

Stocks

Stock is valued at the lower of cost and net realisable value.

Work in progress is valued as the excess of actual costs to date on contracts over the expected costs to date.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	31.3.05 £	31.3.04 £
Wages and salaries	6,983,890	6,541,938

The average monthly number of employees during the year was as follows:

	31.3.05	31.3.04
Office and administration	34	31
Site workers	211	215
	<u>245</u>	<u>246</u>

Included in wages and salaries are social security costs of £566,390 (2004-£489,479) ; also included are pension contributions of £31,938. At 31 March 2005 £2,728 of pension contributions were outstanding.

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2005

3. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	31.3.05	31.3.04
	£	£
Depreciation - owned assets	12,476	58,903
Depreciation - assets on hire purchase contracts	392,059	356,603
Loss/(Profit) on disposal of fixed assets	12,191	(23,240)
Auditors' remuneration	15,000	15,000
	<u>300,660</u>	<u>332,187</u>

Information regarding the highest paid director is as follows:

	31.3.05	31.3.04
	£	£
Emoluments etc	<u>136,919</u>	<u>208,815</u>

4. **INTEREST PAYABLE AND SIMILAR CHARGES**

	31.3.05	31.3.04
	£	£
Hire purchase	<u>44,502</u>	<u>76,477</u>

5. **TAXATION**

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit on ordinary activities for the year was as follows:

	31.3.05	31.3.04
	£	£
Current tax:		
UK corporation tax	15,620	-
Deferred taxation	(83,779)	149,392
Tax on profit on ordinary activities	<u>(68,159)</u>	<u>149,392</u>

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2005

5. **TAXATION - continued**

Factors affecting the tax (credit)/charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.05 £	31.3.04 £
Profit on ordinary activities before tax	22,025	73,241
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2004 - 0%)	4,185	-
Effects of:		
Depreciation	76,862	-
Loss on disposal of assets	2,316	-
Dis-allowable expenses	5,410	-
Capital allowances	(70,912)	-
Losses brought forward	(2,241)	-
Current tax (credit)/charge	15,620	-

6. **TANGIBLE FIXED ASSETS**

	Plant and machinery	Motor vehicles	Totals
	£	£	£
COST:			
At 1 April 2004	2,316,798	784,406	3,101,204
Additions	158,568	58,924	217,492
Disposals	(192,000)	(139,143)	(331,143)
At 31 March 2005	2,283,366	704,187	2,987,553
DEPRECIATION:			
At 1 April 2004	982,258	425,400	1,407,658
Charge for year	301,663	102,872	404,535
Eliminated on disposals	(127,800)	(118,409)	(246,209)
At 31 March 2005	1,156,121	409,863	1,565,984
NET BOOK VALUE:			
At 31 March 2005	1,127,245	294,324	1,421,569
At 31 March 2004	1,334,541	359,007	1,693,548

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2005

6. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery	Motor vehicles	Totals
	£	£	£
COST:			
At 1 April 2004	1,875,277	544,470	2,419,747
Additions	57,888	(836)	57,052
At 31 March 2005	1,933,165	543,634	2,476,799
DEPRECIATION:			
At 1 April 2004	579,282	247,621	826,903
Charge for year	289,187	102,872	392,059
At 31 March 2005	868,469	350,493	1,218,962
NET BOOK VALUE:			
At 31 March 2005	1,064,696	193,141	1,257,837
At 31 March 2004	1,295,995	296,850	1,592,845

7. **STOCKS**

	31.3.05	31.3.04
	£	£
Stock	19,939	29,913
Work in progress	349,396	513,019
	369,335	542,932

8. **DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.3.05	31.3.04
	£	£
V.A.T.	136,237	286,905
Trade debtors	766,961	722,743
Amts recoverable on contracts	1,795,866	2,334,488
Other debtors	4,000	11,533
	2,703,064	3,355,669

Included within trade debtors is £609,990 of retentions due after more than one year.

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2005

9. **CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.3.05 £	31.3.04 £
Bank loans and overdrafts (see note 11)	274,017	170,265
Hire purchase contracts (see note 12)	316,431	636,206
Trade creditors	2,447,920	3,214,787
Directors current accounts	36,182	66,217
Other creditors	85,548	43,150
Social security & other taxes	186,962	208,614
Taxation	15,620	-
Accrued expenses	316,123	239,592
	<u>3,678,803</u>	<u>4,578,831</u>

10. **CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	31.3.05 £	31.3.04 £
Hire purchase contracts (see note 12)	<u>215,710</u>	<u>419,982</u>

11. **LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	31.3.05 £	31.3.04 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>274,017</u>	<u>170,265</u>

12. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	31.3.05 £	31.3.04 £
Gross obligations repayable:		
Within one year	344,458	677,992
Between one and five years	235,318	455,644
	<u>579,776</u>	<u>1,133,636</u>
Finance charges repayable:		
Within one year	28,027	41,786
Between one and five years	19,608	35,662
	<u>47,635</u>	<u>77,448</u>
Net obligations repayable:		
Within one year	316,431	636,206
Between one and five years	215,710	419,982
	<u>532,141</u>	<u>1,056,188</u>

13. PROVISIONS FOR LIABILITIES AND CHARGES

	31.3.05 £	31.3.04 £
Deferred taxation	<u>65,613</u>	<u>149,392</u>
	Deferred tax £	
Balance at 1 April 2004	149,392	
Decelerated capital allowances	<u>(83,779)</u>	
Balance at 31 March 2005	<u>65,613</u>	

14. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:	Nominal	31.3.05	31.3.04
Number: Class:	value:	£	£
100 Ordinary	£1	<u>100</u>	<u>100</u>

15. TRANSACTIONS WITH DIRECTORS

During the year management fees paid to JJ Jordan Quantity Surveyors, a business in which John Jordan director, is a partner amounted to £204,800. Included in creditors is £552,750 due to JJ Jordan Quantity Surveyors which also relates to management fees. Also during the year the company paid John Jordan rental in respect of the company offices of £42,000. The director's current account of £36,182 relates to JJ Jordan and there is no interest attached to this loan. The opening balance on this account was £66,217 and this represents the maximum liability of the company during the year.

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2005

16. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31.3.05	31.3.04
	£	£
Profit/(Loss) for the financial year	90,184	(76,151)
Share capital		
Net addition/(reduction) to shareholders' funds	90,184	(76,151)
Opening shareholders' funds	447,066	523,217
Closing shareholders' funds	537,250	447,066
Equity interests	537,250	447,066

17. **ULTIMATE CONTROLLING PARTY**

Mr John Jordan director, is the ultimate controlling party of the company, by virtue of the fact that he holds 80% of the company's share capital.