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Registration number SC0164130

Campbell & Kennedy Limited
Directors' report and financial statements
for the year ended 31 March 2004



Campbell & Kennedy Limited

Company information

Directors	Gerald Kennedy Joseph Kennedy
Secretary	Gerald Kennedy
Company number	SC0164130
Registered office	Argyll Terrace 272 Glasgow Road Clydebank G81 1PG
Accountants	Alexander Sloan Chartered Accountants 144 West George Street Glasgow G2 2HG
Business address	Argyll Terrace 272 Glasgow Road Clydebank G81 1PG
Bankers	Bank of Scotland plc 42-45 Sylvania Way Clydebank G81 2TL

Campbell & Kennedy Limited
Directors' report
for the year ended 31 March 2004

The directors present their report and the financial statements for the year ended 31 March 2004.

Principal activity

The principal activity of the company is the design, installation and maintenance of television aerial and satellite systems.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31/03/04	01/04/03
Gerald Kennedy	25,394	25,394
Joseph Kennedy	25,394	25,394

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

This report was approved by the Board on 4 June 2004 and signed on its behalf by


Gerald Kennedy
Secretary

Campbell & Kennedy Limited

**Accountants' report on the unaudited financial statements to the directors of
Campbell & Kennedy Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 March 2004 set out on pages 3 to 11 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 supplied to us.

A handwritten signature in black ink, appearing to read 'Alexander Sloan'.

**Alexander Sloan
Chartered Accountants
144 West George Street
Glasgow
G2 2HG**

Date: 4 June 2004

Campbell & Kennedy Limited

Profit and loss account for the year ended 31 March 2004

		2004	2003
	Notes	£	£
Turnover	2	1,715,085	1,136,711
Cost of sales		(1,163,351)	(744,286)
Gross profit		551,734	392,425
Distribution costs		(190,697)	(107,442)
Administrative expenses		(323,209)	(261,712)
Operating profit	3	37,828	23,271
Other interest receivable and similar income		-	56
Interest payable and similar charges		(7,538)	(2,731)
Profit on ordinary activities before taxation		30,290	20,596
Tax on profit on ordinary activities	6	(5,319)	250
Retained profit for the year		24,971	20,846
Retained profit/(loss) brought forward		1,001	(19,845)
Retained profit carried forward		25,972	1,001

The notes on pages 6 to 11 form an integral part of these financial statements.

Campbell & Kennedy Limited

Balance sheet as at 31 March 2004

		2004		2003	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		120,759		78,597
Current assets					
Stocks		61,983		60,644	
Debtors	8	277,702		205,577	
Cash at bank and in hand		1,027		411	
		<u>340,712</u>		<u>266,632</u>	
Creditors: amounts falling due within one year	9	<u>(331,493)</u>		<u>(270,577)</u>	
Net current assets/(liabilities)			<u>9,219</u>		<u>(3,945)</u>
Total assets less current liabilities			129,978		74,652
Creditors: amounts falling due after more than one year	10		(45,696)		(20,660)
Provisions for liabilities and charges	11		<u>(7,522)</u>		<u>(2,203)</u>
Net assets			<u>76,760</u>		<u>51,789</u>
Capital and reserves					
Called up share capital	13		50,788		50,788
Profit and loss account			25,972		1,001
Shareholders' funds			<u>76,760</u>		<u>51,789</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 11 form an integral part of these financial statements.

Campbell & Kennedy Limited

Balance sheet (continued)

Directors' statements required by Section 249B(4) for the year ended 31 March 2004

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 March 2004 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 4 June 2004 and signed on its behalf by


Gerald Kennedy
Director

The notes on pages 6 to 11 form an integral part of these financial statements.

Campbell & Kennedy Limited

Notes to the financial statements for the year ended 31 March 2004

1. Accounting policies

1.1. Accounting convention

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 represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	33.33% Reducing Balance
Fixtures, fittings and equipment	-	25% Reducing Balance
Motor vehicles	-	25% Reducing Balance
Computer equipment	-	33.33% Straight Line

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5. Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

Campbell & Kennedy Limited

Notes to the financial statements
for the year ended 31 March 2004

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1.7. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Turnover

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

3. Operating profit

	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	32,995	14,394
Loss on disposal of tangible fixed assets	4,450	1,900
	<u> </u>	<u> </u>

4. Directors' emoluments

	2004	2003
	£	£
Remuneration and other benefits	71,170	69,688
	<u> </u>	<u> </u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	2	2

5. Pension costs

The company operates a defined contribution pension scheme in respect of the staff and directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £10,738 (2003 - £5,426).

Campbell & Kennedy Limited

Notes to the financial statements for the year ended 31 March 2004

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6. Tax on profit on ordinary activities

Analysis of charge in period	2004 £	2003 £
Current tax		
Adjustments in respect of previous periods	-	(2,453)
Total current tax charge	-	(2,453)
Deferred tax		
Timing differences, origination and reversal	5,319	2,203
Total deferred tax	5,319	2,203
Tax on profit on ordinary activities	5,319	(250)

7. Tangible fixed assets	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Computer £	Total £
Cost					
At 1 April 2003	32,788	6,308	64,167	12,811	116,074
Additions	12,295	830	65,155	10,354	88,634
Disposals	-	-	(20,476)	-	(20,476)
At 31 March 2004	45,083	7,138	108,846	23,165	184,232
Depreciation					
At 1 April 2003	8,578	2,359	20,249	6,291	37,477
On disposals	-	-	(6,999)	-	(6,999)
Charge for the year	9,558	1,193	16,776	5,468	32,995
At 31 March 2004	18,136	3,552	30,026	11,759	63,473
Net book values					
At 31 March 2004	26,947	3,586	78,820	11,406	120,759
At 31 March 2003	24,210	3,949	43,918	6,520	78,597

Campbell & Kennedy Limited

Notes to the financial statements for the year ended 31 March 2004

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Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2004		2003	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Motor vehicles	<u>73,284</u>	<u>15,669</u>	<u>30,657</u>	<u>2,905</u>

8. Debtors	2004 £	2003 £
Trade debtors	228,595	187,925
Other debtors	31,502	17,652
Prepayments and accrued income	17,605	-
	<u>277,702</u>	<u>205,577</u>

9. Creditors: amounts falling due within one year	2004 £	2003 £
Bank overdraft	96,992	61,092
Net obligations under finance leases and hire purchase contracts	29,058	8,863
Trade creditors	145,253	144,526
Other taxes and social security costs	56,410	53,946
Accruals and deferred income	3,780	2,150
	<u>331,493</u>	<u>270,577</u>

Bank borrowings are secured by a bond and floating charge over the whole assets of the company.

10. Creditors: amounts falling due after more than one year	2004 £	2003 £
Net obligations under finance leases and hire purchase contracts	<u>45,696</u>	<u>20,660</u>

Campbell & Kennedy Limited
Notes to the financial statements
for the year ended 31 March 2004

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11. Provisions for liabilities and charges

	Deferred taxation (Note 12) £	Total £
At 1 April 2003	2,203	2,203
Movements in the year	5,319	5,319
At 31 March 2004	<u>7,522</u>	<u>7,522</u>

12. Provision for deferred taxation

	2004 £	2003 £
Accelerated capital allowances	7,522	4,596
Tax losses carried forward	-	(2,393)
Undiscounted provision for deferred tax	<u>7,522</u>	<u>2,203</u>
Provision at 1 April 2003	2,203	
Deferred tax charge in profit and loss account	5,319	
Provision at 31 March 2004	<u>7,522</u>	

13. Share capital

	2004 £	2003 £
Authorised		
50,788 Ordinary shares of 1 each	<u>50,788</u>	<u>50,788</u>
Allotted, called up and fully paid		
50,788 Ordinary shares of 1 each	<u>50,788</u>	<u>50,788</u>

Campbell & Kennedy Limited

Notes to the financial statements for the year ended 31 March 2004

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14. Financial commitments

At 31 March 2004 the company had annual commitments under non-cancellable operating leases as follows:

	2004 £	2003 £
Expiry date:		
Between one and five years	6,488	-
In over five years	7,950	7,950
	<u>14,438</u>	<u>7,950</u>

15. Transactions with directors

The following directors had interest free loans during the year. The movements on these loans are as follows:

	Amount owing		Maximum
	2004	2003	in year
	£	£	£
Gerald Kennedy	10,729	729	10,729
Joseph Kennedy	<u>4,400</u>	<u>5,997</u>	<u>7,809</u>