

Dalveen Limited

**Directors' report and financial statements
for the year ended
5 April 2004**

Registered number: SC215917



Dalveen Limited

Financial statements for the year ended 5 April 2004

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Directors and advisors

Directors

David C Mathewson
Janet E Mathewson

Company secretary

T M Company Services Limited
66 Queen Street
Edinburgh
EH2 4NE

Registered office

66 Queen Street
Edinburgh
EH2 4NE

Solicitors

Tods Murray
66 Queen Street
Edinburgh
EH2 4NE

**Directors' report
for the year ended 5 April 2004**

The directors present their report and the financial statements of the company for the year ended 5 April 2004.

Principal Activities

The company provides business consultancy services.

Review of the business and future developments

The profit and loss account for the year is set out on page 4.

The net profit after providing for taxation amounted to £72,212 (2003 - £36,061).

The results for the year ended 5 April 2004 reflect the third year of trading. The directors expect the company to continue trading profitably in the years to come.

Dividends and transfers to reserves

The directors recommend the payment of a dividend of £85,000 for the year (2003 - £22,500).

It is proposed that the retained loss for the period of £12,788 (2003 profit - £13,561) be transferred from reserves.

Directors and their interests

The directors who held office during the period and their interests in the company's issued ordinary share capital were as follows:

	05/04/2004	05/04/2003
	number	number
David C Mathewson	450	450
Janet E Mathewson	50	50

**Directors' report
for the year ended 5 April 2004 (continued)**

Directors' responsibilities

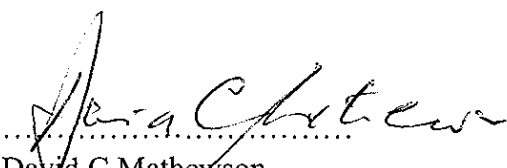
Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 5 April 2004 and that applicable standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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.

The above 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


.....
David C Mathewson
Director

Date

10.12.04,

Profit and loss account
For the year ended 5 April 2004

	Notes	2004 £	2003 £
Turnover		111,208	64,223
Administrative expenses		<u>22,601</u>	<u>20,534</u>
		88,607	43,689
Interest receivable		<u>544</u>	<u>473</u>
Profit on ordinary activities before taxation		89,151	44,162
Taxation - UK corporation tax	3	<u>16,939</u>	<u>8,101</u>
Profit for the period after taxation		72,212	36,061
Dividends paid		<u>85,000</u>	<u>22,500</u>
Retained (loss)/profit for the year	7	(12,788)	13,561
Retained profit at 6 April 2003		<u>13,576</u>	<u>15</u>
Retained profit at 5 April 2004		<u><u>788</u></u>	<u><u>13,576</u></u>

There are no recognised gains or losses other than the profits for the periods noted above and therefore no statement of total recognised gains and losses has been presented. All activities are continuing.

**Balance sheet
as at 5 April 2004**

	Notes	2004 £	2003 £
Fixed assets			
Investments		<u>29,123</u>	<u>-</u>
Current assets			
Cash at bank		<u>-</u>	<u>55,030</u>
		-	55,030
Creditors: amounts falling due within one year	4	<u>27,835</u>	<u>40,954</u>
Net current (liabilities)/assets		<u>(27,835)</u>	<u>14,076</u>
Net assets		<u><u>1,288</u></u>	<u><u>14,076</u></u>
		£	£
Capital and reserves			
Called up share capital	6	500	500
Profit and loss account	7	<u>788</u>	<u>13,576</u>
Equity shareholders' funds	8	<u><u>1,288</u></u>	<u><u>14,076</u></u>

**Balance sheet
as at 5 April 2004 (continued)**

Advantage has been taken of the audit exemptions available for the small companies conferred by section 249A(1) of the companies Act 1985 on the grounds:

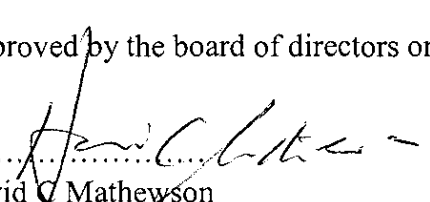
- (a) that for the period ended 5 April 2004 the company was entitled to the exemption from a statutory audit under section 249A(1) of the Companies Act 1985; and
- (b) that no notice has been deposited under section 249B(2) of the Companies Act 1985 in relation to the financial statements for the year.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps proper 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 the affairs of the company as at 5 April 2004 and of its profit or loss for the period then ended in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

Approved by the board of directors on 10 December 2004 and signed on its behalf by:

.....
David C Mathewson
Director

The notes on pages 7 to 10 form part of these financial statements.

Notes to the financial statements for the year ended 5 April 2004

1 Statement of accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies of the company, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention.

Cash flow statement

The company qualifies as a small company under the terms of Section 247 of the Companies Act 1985. As a consequence it is exempt from the requirement to publish a cash flow statement.

Turnover

Turnover, which excludes value added tax, represents the invoiced value of services and expenses supplied.

Pension costs

Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

2 Operating profit

	2004	2003
	£	£
Operating profit is stated after charging:		
Pension costs	5,000	2,100
Directors emoluments	<u>8,008</u>	<u>12,436</u>

The company contributes to a self administered pension scheme in respect of one director.

**Notes to the financial statements
for the year ended 5 April 2004 (continued)**

3 Tax on profit on ordinary activities

a) Analysis of charge in period

	2004	2003
	£	£
Current tax:		
UK corporation tax on profits of the year	16,939	8,101
Deferred tax:		
Origination and reversal of timing differences (note 5)	-	-
Tax on profit on ordinary activities	<u>16,939</u>	<u>8,101</u>

b) Factors affecting tax charge for period

	2004	2003
	£	£
Profit on ordinary activities before tax	<u>89,151</u>	<u>44,162</u>
Profit on ordinary activities multiplied by starting rate of corporation tax in the UK of 19%	16,939	8,391
Effects of:		
Expenses not deductible for tax purposes	-	(290)
Current tax charge for the year	<u>16,939</u>	<u>8,101</u>

**Notes to the financial statements
for the year ended 5 April 2004 (continued)**

4 Creditors: amounts falling due within one year

	2004	2003
	£	£
Amounts owed to Director	1,893	155
Taxation and social security	18,587	14,535
Bank overdraft	2,955	-
Other creditors	4,400	26,264
	<u>27,835</u>	<u>40,954</u>

5 Deferred taxation

	2004	2003
	£	£
The deferred tax asset comprises:		
Accelerated capital allowances	-	-

The deferred tax asset is calculated using a corporation tax rate of

	£	£
Asset at start of period	-	-
Deferred tax charge in profit and loss account for the period (note 3a)	-	-
	<u>-</u>	<u>-</u>

6 Share capital

	2004	2003
	£	£
Authorised:		
500 Ordinary shares of £1	<u>500</u>	<u>500</u>
Allotted, called up and fully paid		
Ordinary shares of £1	<u>500</u>	<u>500</u>

**Notes to the financial statements
for the year ended 5 April 2004 (continued)**

7 Profit and loss account

	2004	2003
	£	£
Retained profit at 6 April 2003	13,576	15
(Loss)/profit for the period	<u>(12,788)</u>	<u>13,561</u>
Retained profit at 5 April 2004	<u><u>788</u></u>	<u><u>13,576</u></u>

8 Reconciliation of movements in shareholders' funds

	2004	2003
	£	£
Opening shareholders' funds	14,076	515
(Loss)/profit for the period	<u>(12,788)</u>	<u>13,561</u>
Closing shareholders' funds	<u><u>1,288</u></u>	<u><u>14,076</u></u>

9 Controlling party

David Mathewson, a director of the company, controls the company.