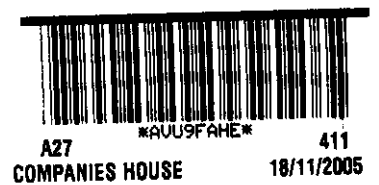


ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2005
FOR
JOHN REID & SONS (STRUCSTEEL) LIMITED



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For The Year Ended 31 March 2005

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JOHN REID & SONS (STRUCSTEEL) LIMITED

COMPANY INFORMATION
For The Year Ended 31 March 2005

DIRECTORS:

Mr M J Reid MBE
Mr J R Reid
Mr P J Reid
Mr T J Reid
Mr S P Boyd

SECRETARY:

Mr J M Sinkinson

REGISTERED OFFICE:

Strucsteel House
Reid Street
Christchurch
Dorset
BH23 2BT

REGISTERED NUMBER:

617773

AUDITORS:

Schofields Chartered Accountants
Registered Auditors
Sixth Floor
Dean Park House
Dean Park Crescent
Bournemouth
BH1 1HP

JOHN REID & SONS (STRUCSTEEL) LIMITED

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 ACTIVITY

The principal activity of the company in the year under review was that of the design, manufacture and erection of steel buildings and accessories worldwide.

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.

DIRECTORS

The directors during the year under review were:

Mr M J Reid MBE
Mr J R Reid
Mr P J Reid
Mr T J Reid
Mr S P Boyd

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 M J Reid MBE	23,064	23,064
Mr J R Reid	4,510	4,510
Mr P J Reid	6,510	6,510
Mr T J Reid	6,510	6,510
Mr S P Boyd	-	-

On 11 October 2004 the company purchased 4,510 ordinary shares of £1 each from a former director for a consideration of £100,000.

FIXED ASSETS

The directors consider that the market value of the company's freehold land and buildings is greater than net book value, but in the absence of a professional valuation the directors are unable to report upon this further.

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.

AUDITORS

The auditors, Schofields Chartered Accountants, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
Mr M J Reid MBE - Director

Date: 15/11/05

REPORT OF THE INDEPENDENT AUDITORS TO
JOHN REID & SONS (STRUCSTEEL) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages four to thirteen, 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 four to thirteen are properly prepared in accordance with that provision.



Schofield's Chartered Accountants
Registered Auditors
Sixth Floor
Dean Park House
Dean Park Crescent
Bournemouth
BH1 1HP

Date: 15 November 2005

JOHN REID & SONS (STRUCSTEEL) LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT**
For The Year Ended 31 March 2005

		2005	2004
	Notes	£	£
GROSS PROFIT		3,143,935	3,119,571
Distribution costs		(106,693)	(132,292)
Administrative expenses		(2,933,904)	(2,680,219)
OPERATING PROFIT	3	103,338	307,060
Interest receivable and similar income		14,398	4,512
		117,736	311,572
Interest payable and similar charges	4	(4,478)	(5,470)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		113,258	306,102
Tax on profit on ordinary activities	5	(1,045)	-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		112,213	306,102
Retained profit brought forward		2,190,056	1,883,954
		2,302,269	2,190,056
Purchase of own shares		(100,000)	-
RETAINED PROFIT CARRIED FORWARD		<u>£2,202,269</u>	<u>£2,190,056</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 profits for the current and previous years.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material.

JOHN REID & SONS (STRUCSTEEL) LIMITED**ABBREVIATED BALANCE SHEET****31 March 2005**

		2005	2004
	Notes	£	£
FIXED ASSETS:			
Tangible assets	6	2,091,771	2,152,805
Investments	7	14,331	14,331
		<u>2,106,102</u>	<u>2,167,136</u>
CURRENT ASSETS:			
Stocks	8	1,784,986	2,140,223
Debtors	9	843,382	1,173,614
Cash at bank and in hand		539,674	487,924
		<u>3,168,042</u>	<u>3,801,761</u>
CREDITORS: Amounts falling due within one year	10	(2,255,451)	(2,932,417)
NET CURRENT ASSETS:		<u>912,591</u>	<u>869,344</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>3,018,693</u>	<u>3,036,480</u>
CREDITORS: Amounts falling due after more than one year	11	(27,500)	(57,500)
PROVISIONS FOR LIABILITIES AND CHARGES:	13	(45,000)	(45,000)
		<u>£2,946,193</u>	<u>£2,933,980</u>
CAPITAL AND RESERVES:			
Called up share capital	14	40,594	45,104
Share premium	15	20,427	20,427
Revaluation reserve	16	678,393	678,393
Capital redemption reserve	17	4,510	-
Profit and loss account		<u>2,202,269</u>	<u>2,190,056</u>
SHAREHOLDERS' FUNDS:	18	<u>£2,946,193</u>	<u>£2,933,980</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 M J Reid MBE - Director

Approved by the Board on 15/11/05

JOHN REID & SONS (STRUCSTEEL) LIMITED**CASH FLOW STATEMENT****For The Year Ended 31 March 2005**

		2005	2004
	Notes	£	£
Net cash inflow/(outflow) from operating activities	1	271,479	(57,201)
Returns on investments and servicing of finance	2	9,920	(958)
Capital expenditure	2	(99,649)	(143,961)
		181,750	(202,120)
Financing	2	(130,000)	(30,000)
Increase/(Decrease) in cash in the period		£51,750	£(232,120)

Reconciliation of net cash flow to movement in net funds

	3		
Increase/(Decrease) in cash in the period		51,750	(232,120)
Cash outflow from decrease in debt and lease financing		30,000	30,000
Change in net funds resulting from cash flows		81,750	(202,120)
Movement in net funds in the period		81,750	(202,120)
Net funds at 1 April		400,424	602,544
Net funds at 31 March		£482,174	£400,424

JOHN REID & SONS (STRUCSTEEL) LIMITED**NOTES TO THE CASH FLOW STATEMENT
For The Year Ended 31 March 2005****1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

	2005 £	2004 £
Operating profit	103,338	307,060
Depreciation charges	163,297	183,344
Loss on sale of fixed assets	1,786	-
Profit on sale of fixed assets	(4,400)	(15,883)
Provisions	-	20,000
Decrease/(Increase) in stocks	355,237	(683,737)
Decrease/(Increase) in debtors	330,232	(496,958)
(Decrease)/Increase in creditors	(678,011)	628,973
Net cash inflow/(outflow) from operating activities	271,479	(57,201)

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

	2005 £	2004 £
Returns on investments and servicing of finance		
Interest received	14,398	4,512
Interest paid	(56)	(38)
Interest element of finance lease rentals payments	(4,422)	(5,432)
Net cash inflow/(outflow) for returns on investments and servicing of finance	9,920	(958)
Capital expenditure		
Purchase of tangible fixed assets	(108,549)	(165,061)
Sale of tangible fixed assets	8,900	21,100
Net cash outflow for capital expenditure	(99,649)	(143,961)
Financing		
Capital element of finance lease rentals payments	(30,000)	(30,000)
Purchase of own shares	(100,000)	-
Net cash outflow from financing	(130,000)	(30,000)

JOHN REID & SONS (STRUCSTEEL) LIMITED**NOTES TO THE CASH FLOW STATEMENT
For The Year Ended 31 March 2005****3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/4/04 £	Cash flow £	At 31/3/05 £
Net cash:			
Cash at bank and in hand	487,924	51,750	539,674
	<u>487,924</u>	<u>51,750</u>	<u>539,674</u>
Debt:			
Finance leases	(87,500)	30,000	(57,500)
	<u>(87,500)</u>	<u>30,000</u>	<u>(57,500)</u>
Total	<u>400,424</u>	<u>81,750</u>	<u>482,174</u>
Analysed in Balance Sheet			
Cash at bank and in hand	487,924		539,674
Finance leases			
within one year	(30,000)		(30,000)
after one year	(57,500)		(27,500)
	<u>400,424</u>		<u>482,174</u>

**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 as modified by the revaluation of certain assets.

Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

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.

Freehold properties	- Straight line on buildings over 50 years
Plant and machinery	- 10% or 20% on cost
Furniture & equipment	- 10% or 20% on cost
Motor vehicles	- 20% on cost

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred tax

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Pensions

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

Long term contracts

The attributable profit on long term contracts is recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to date on the project.

Costs associated with long term contracts are included in the work in progress to the extent that they cannot be matched with contract work accounted for as turnover. Long term contract balances included in work in progress are stated at cost, after provision has been made for any foreseeable losses and the deduction of applicable payments on account.

Full provision is made for losses on all contracts in the year in which the loss is first foreseen.

Investment properties

Investment properties are revalued annually as any surplus or deficit is transferred to the revaluation reserve.

2. STAFF COSTS

	2005 £	2004 £
Wages and salaries	3,194,985	3,000,386
Social security costs	299,257	313,044
Other pension costs	85,686	88,596
	<u>3,579,928</u>	<u>3,402,026</u>

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

	2005	2004
Office & Management	45	46
Production & Sales	62	63
	<u>107</u>	<u>109</u>

JOHN REID & SONS (STRUCSTEEL) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****For The Year Ended 31 March 2005****3. OPERATING PROFIT**

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

	2005	2004
	£	£
Depreciation - owned assets	143,297	163,344
Depreciation - assets on finance leases	20,000	20,000
Profit on disposal of fixed assets	(2,614)	(15,883)
Auditors' remuneration	15,965	17,550
Equipment hire	7,723	1,600
	<u>396,166</u>	<u>352,184</u>
Directors' emoluments	29,369	25,117
Directors' pension contributions to money purchase schemes	<u>29,369</u>	<u>25,117</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2005	2004
Money purchase schemes	<u>4</u>	<u>4</u>

Information regarding the highest paid director is as follows:

	2005	2004
	£	£
Emoluments etc	85,288	75,970
Pension contributions to money purchase schemes	<u>3,989</u>	<u>-</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2005	2004
	£	£
Bank interest	56	38
Leasing	<u>4,422</u>	<u>5,432</u>
	<u>4,478</u>	<u>5,470</u>

5. TAXATION**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2005	2004
	£	£
Current tax:		
UK corporation tax	<u>1,045</u>	<u>-</u>
Tax on profit on ordinary activities	<u>1,045</u>	<u>-</u>

JOHN REID & SONS (STRUCSTEEL) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS
For The Year Ended 31 March 2005****6. TANGIBLE FIXED ASSETS**

	Freehold properties	Plant and machinery	Furniture & equipment	Motor vehicles	Totals
	£	£	£	£	£
COST OR VALUATION:					
At 1 April 2004	1,667,730	1,585,658	796,327	138,825	4,188,540
Additions	15,509	39,883	27,497	25,660	108,549
Disposals	-	(75,363)	-	(15,718)	(91,081)
At 31 March 2005	1,683,239	1,550,178	823,824	148,767	4,206,008
DEPRECIATION:					
At 1 April 2004	95,462	1,190,301	686,281	63,691	2,035,735
Charge for year	13,665	88,263	36,156	25,213	163,297
Eliminated on disposals	-	(75,363)	-	(9,432)	(84,795)
At 31 March 2005	109,127	1,203,201	722,437	79,472	2,114,237
NET BOOK VALUE:					
At 31 March 2005	1,574,112	346,977	101,387	69,295	2,091,771
At 31 March 2004	1,572,268	395,357	110,046	75,134	2,152,805

Prior to 31 March 1999 it was the company's policy to revalue freehold properties. The transitional provisions of FRS15 are being followed and previous valuations have been retained and not updated. Properties were last valued in 1996.

The net book value of tangible fixed assets includes £120,000 (2004 - £140,000) in respect of assets held under finance leases.

7. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	2005 £	2004 £
Investment property	14,331	14,331

Investment properties are valued by directors on a open market current use basis annually. The directors are of the opinion that the historic cost is not materially different from the current value.

8. STOCKS

	2005 £	2004 £
Raw materials	848,808	825,225
Work in progress	936,178	1,314,998
	1,784,986	2,140,223

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

	2005 £	2004 £
Trade debtors	709,986	978,781
Other debtors	35,074	120,048
Amounts recoverable on contracts	20,606	31,979
Prepayments	77,716	42,806
	843,382	1,173,614

JOHN REID & SONS (STRUCSTEEL) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS
For The Year Ended 31 March 2005****10. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2005 £	2004 £
Finance leases (see note 12)	30,000	30,000
Trade creditors	1,545,550	2,276,720
Sales invoiced in advance	338,699	266,669
Other creditors	118,270	82,827
Social security & other taxes	167,917	120,667
Taxation	1,045	-
Accrued expenses	53,970	155,534
	<u>2,255,451</u>	<u>2,932,417</u>

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

	2005 £	2004 £
Finance leases (see note 12)	<u>27,500</u>	<u>57,500</u>

12. OBLIGATIONS UNDER LEASING AGREEMENTS

	2005 £	2004 £
Gross obligations repayable:		
Within one year	33,300	34,100
Between one and five years	30,133	63,433
	<u>63,433</u>	<u>97,533</u>
Finance charges repayable:		
Within one year	3,300	4,100
Between one and five years	2,633	5,933
	<u>5,933</u>	<u>10,033</u>
Net obligations repayable:		
Within one year	30,000	30,000
Between one and five years	27,500	57,500
	<u>57,500</u>	<u>87,500</u>

13. PROVISIONS FOR LIABILITIES AND CHARGES

	2005 £	2004 £
Contract remedial costs	<u>45,000</u>	<u>45,000</u>

In the opinion of the directors' there is no tax liability arising if the property is sold at its revalued amount.

14. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2005 £	2004 £
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005 £	2004 £
45,104	Ordinary	£1	<u>40,594</u>	<u>45,104</u>

JOHN REID & SONS (STRUCSTEEL) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS
For The Year Ended 31 March 2005****15. SHARE PREMIUM**

	2005 £	2004 £
At 1 April 2004	20,427	20,427
Movement during the year	-	-
At 31 March 2005	<u>20,427</u>	<u>20,427</u>

16. REVALUATION RESERVE

	2005 £	2004 £
At 1 April 2004	678,393	678,393
Movement during the year	-	-
At 31 March 2005	<u>678,393</u>	<u>678,393</u>

17. CAPITAL REDEMPTION RESERVE

	2005 £	2004 £
At 1 April 2004	-	-
Purchase of own shares during the year	4,510	-
At 31 March 2005	<u>4,510</u>	<u>-</u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2005 £	2004 £
Profit for the financial year	112,213	306,102
Purchase of own shares	(100,000)	-
Net addition to shareholders' funds	<u>12,213</u>	<u>306,102</u>
Opening shareholders' funds	2,933,980	2,627,878
Closing shareholders' funds	<u>2,946,193</u>	<u>2,933,980</u>
Equity interests	<u>2,946,193</u>	<u>2,933,980</u>

19. CONTROLLING PARTY

Mr M J Reid MBE has ultimate control of the company by having a direct interest in the majority of the issued share capital.

20. PENSION SCHEMES

The company operates a defined contribution pension scheme for the benefit of the employees and directors. The assets of the scheme are administered by the trustees in a fund independent from those of the company.

The contributions paid in the year amounted to £85,686 (2004 £88,596).