

PSYGAR SERVICES LIMITED

3791241

REPORT AND ACCOUNTS
FOR THE YEAR ENDED
JUNE 30, 2004



DIRECTORS' REPORT

The directors submit their report and accounts for the year ended June 30, 2004.

Statement of the directors' responsibilities

Company law requires the directors to prepare accounts 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 accounts the directors are required to;

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on a going concern basis unless it is inappropriate to assume 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 enable them to ensure that the accounts comply with the Companies Act 1985. The directors 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.

Principal activities

The company's principal activities during the year were as air conditioning and heating engineers.

Directors and their interests

The directors at June 30, 2004 and their interest in the share capital of the company were as follows:

	<u>At June 30, 2004</u>	<u>At June 30, 2003</u>
	<u>Ordinary shares</u>	<u>Ordinary shares</u>
Mr. S. Pyra	1	1
Mrs. G. Pyra	1	1

Mrs. G. Pyra retires by rotation at the annual general meeting and being eligible offers herself for re-election.

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

By Order of the Board



Mr. S. PYRA

Secretary

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2004

	<u>Notes</u>	<u>2004</u>		<u>2003</u>	
		£	£	£	£
Turnover	2.		31762		17783
Change in stocks			50		383
			<u>31812</u>		<u>18166</u>
Purchases			8805		5247
			<u>23007</u>		<u>12919</u>
Staff costs		4640		2310	
Depreciation		1751		1576	
Other operating charges		6825		6904	
		<u> </u>	<u>13216</u>	<u> </u>	<u>10790</u>
Operating profit	3.		9791		2129
Interest receivable		121		53	
Interest payable	4.	(310)		(379)	
		<u> </u>	<u>(189)</u>	<u> </u>	<u>(326)</u>
Profit on ordinary activities before taxation			9602		1803
Tax on profit on ordinary activities	5.		—		—
			<u> </u>		<u> </u>
Profit on ordinary activities after taxation			9602		1803
Dividend			9900		900
			<u>(298)</u>		<u>903</u>
Retained profit brought forward			2678		1775
Retained profit carried forward			<u>2380</u>		<u>2678</u>

All income and expenditure arose from continuing activities.

BALANCE SHEET AT JUNE 30, 2004


	Notes	£	2004	£	£	2003	£
Fixed assets							
Tangible fixed assets	6.			3885			4756
Current assets							
Stocks			433			383	
Debtors	7.		1779			3314	
Cash at bank and in hand			4800			6441	
			<u>7012</u>			<u>10138</u>	
Creditors: amounts falling due within one year	8.		<u>7817</u>			<u>9707</u>	
Net current (liabilities)/assets				(805)			431
Total assets less current liabilities				<u>3080</u>			<u>5187</u>
Creditors: amounts falling due after more than one year							
Obligations under hire purchase contracts				698			2507
				<u>2382</u>			<u>2680</u>
Capital and reserves							
Called up share capital	9.			2			2
Profit and loss account				2380			2678
				<u>2382</u>			<u>2680</u>

The directors are satisfied that the company was entitled to exemption under section 249A of the Companies Act 1985 and that members have not required an audit in accordance with section 249B.

The directors acknowledge their responsibilities for:

- i. ensuring that the company keeps accounting records which comply with section 221; and
- ii. preparing accounts 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 financial year in accordance with the requirements of section 226, and which otherwise comply with requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, and the Financial Reporting Standard for Smaller Entities (effective June 2002).

)Director
The accounts were approved by the Board
on November 12, 2004

The notes on pages 4 to 6 form part of these accounts

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2004

1. Accounting policies

Accounting convention

Accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Depreciation

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

Motor vehicle	4 years
Office equipment	5 years

Stocks

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

Cost is purchase cost on a first-in, first-out basis.

Net realisable value is based on estimated selling price.

Deferred Taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed at the balance sheet date.

Hire purchase commitments

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to profit and loss account over the period of the lease. Rentals paid under operating leases are charged in the profit and loss account as incurred.

2. Turnover

Turnover represents the amount of goods sold and services provided.
 All turnover arose within the UK.

3. Operating profit

This is stated after charging:

	<u>2004</u>	<u>2003</u>
	£	£
Directors' emoluments	4640	2310
Depreciation of owned fixed assets	400	224
Depreciation of assets held under hire purchase contracts	1351	1352
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2004

4.	<u>Interest payable</u>	<u>2004</u>	<u>2003</u>
		£	£
	Hire purchase interest	310	379
		==	==
5.	<u>Tax on profit on ordinary activities</u>	<u>2004</u>	<u>2003</u>
		£	£
	Current tax:		
	Corporation tax	-	-
		==	==
6.	<u>Tangible fixed assets</u>	<u>Motor</u>	<u>Office</u>
		<u>vehicle</u>	<u>Equipment</u>
		£	£
	Cost:		
	At July 1, 2003	5407	1122
	Additions	-	880
		==	==
	At June 30, 2004	5407	2002
		==	==
	Depreciation:		
	At July 1, 2003	1352	421
	Charge for the year	1351	400
		==	==
	At June 30, 2004	2703	821
		==	==
	Net book amount at June 30, 2004	2704	1181
		==	==
	Net book amount at June 30, 2003	4055	701
		==	==

Tangible fixed assets include assets with a net book value of £2704 (2003 £4055) held under hire purchase agreements.

7. <u>Debtors</u>	<u>2004</u>	<u>2003</u>
	£	£
Trade debtors	724	2407
Corporation tax	146	146
Prepayments	682	761
Other debtors	227	-
	==	==
	1779	3314
	==	==

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2004

8. <u>Creditors: amounts falling due within one year</u>	<u>2004</u> £	<u>2003</u> £
Obligations under hire purchase contracts	1809	1643
Trade creditors	2069	4140
Other taxes and social security costs	744	908
Other creditors	1995	1885
Accruals	1200	1131
	<u>7817</u>	<u>9707</u>

9. <u>Share Capital</u>	<u>Authorised</u>		<u>Allotted, called up and fully paid up</u>	
	<u>2004</u> No.	<u>2003</u> No.	<u>2004</u> £	<u>2003</u> £
Ordinary shares of £1 each	<u>1000</u>	<u>1000</u>	<u>2</u>	<u>2</u>

10. Related party transactions and controlling parties

Mr. and Mrs. Pyra have a controlling interest in the share capital of the company.
Amounts owed to the directors by the company at the year end were:

	<u>2004</u> £	<u>2003</u> £
Mr. S. Pyra	1995	1885
Mrs. G. Pyra	<u>-</u>	<u>-</u>