

COMPANY REGISTRATION NUMBER 4134882

SPAFLOW LIMITED
FINANCIAL STATEMENTS
31 JANUARY 2006



THE GRAHAM FULFORD PARTNERSHIP

Chartered Accountants
61 Bedford Street
Leamington Spa
Warwickshire
CV32 5DN

SPAFLOW LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2006

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SPAFLOW LIMITED
THE DIRECTOR'S REPORT
YEAR ENDED 31 JANUARY 2006

The director presents his report and the unaudited financial statements of the company for the year ended 31 January 2006.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the supply of specialist pre-fabricated drainage products.

THE DIRECTOR AND HIS INTERESTS IN THE SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests, including family holdings, in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At	At
	31 January 2006	1 February 2005
Mr D L Woodheath	<u>2</u>	<u>2</u>

SMALL COMPANY PROVISIONS

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

Registered office:
 Watmough House
 The Parade
 Wrotham Road
 Meopham
 Kent
 DA13 0JL

Signed by order of the director

A Woodheath

MRS A WOODHEATH
 Company Secretary

Approved by the director on*9/6/06*.....

SPAFLOW LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 JANUARY 2006

	Note	2006 £	2005 £
TURNOVER		4,493	12,555
Administrative expenses		<u>4,340</u>	<u>5,277</u>
OPERATING PROFIT	2	153	7,278
Interest receivable		5	1
Interest payable and similar charges		(158)	(601)
		—	—
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		—	6,678
		—	—
RETAINED PROFIT FOR THE FINANCIAL YEAR		—	6,678
Balance brought forward		<u>(2,656)</u>	<u>(9,334)</u>
Balance carried forward		<u>(2,656)</u>	<u>(2,656)</u>

SPAFLOW LIMITED**BALANCE SHEET****31 JANUARY 2006**

	Note	2006 £	£	2005 £	£
FIXED ASSETS					
Tangible assets	3		6,003		8,004
CURRENT ASSETS					
Debtors	4	8,924		9,623	
Cash at bank		<u>1,265</u>		<u>133</u>	
		10,189		9,756	
CREDITORS: Amounts falling due within one year	5	<u>18,846</u>		<u>20,414</u>	
NET CURRENT LIABILITIES			<u>(8,657)</u>		<u>(10,658)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(2,654)</u>		<u>(2,654)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	7		2		2
Profit and loss account			<u>(2,656)</u>		<u>(2,656)</u>
DEFICIT			<u>(2,654)</u>		<u>(2,654)</u>

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

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

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

These financial statements were approved and signed by the director on 26/10/06

DL Woodheath
MR D L WOODHEATH

SPAFLOW LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 25% Reducing balance
Motor Vehicles	- 25% Reducing balance

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

SPAFLOW LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2006

2. OPERATING PROFIT

Operating profit is stated after charging:

	2006 £	2005 £
Director's emoluments	—	—
Depreciation of owned fixed assets	<u>2,001</u>	<u>2,668</u>

3. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Motor Vehicles £	Total £
COST			
At 1 February 2005 and 31 January 2006	<u>14,199</u>	<u>5,602</u>	<u>19,801</u>
DEPRECIATION			
At 1 February 2005	8,559	3,238	11,797
Charge for the year	<u>1,410</u>	<u>591</u>	<u>2,001</u>
At 31 January 2006	<u>9,969</u>	<u>3,829</u>	<u>13,798</u>
NET BOOK VALUE			
At 31 January 2006	<u>4,230</u>	<u>1,773</u>	<u>6,003</u>
At 31 January 2005	<u>5,640</u>	<u>2,364</u>	<u>8,004</u>

4. DEBTORS

	2006 £	2005 £
Other debtors	<u>8,924</u>	<u>9,623</u>

SPAFLOW LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2006

5. CREDITORS: Amounts falling due within one year

	2006 £	2005 £
Bank loans and overdrafts	—	3,689
Trade creditors	4,750	4,500
Other creditors	<u>14,096</u>	<u>12,225</u>
	<u>18,846</u>	<u>20,414</u>

6. RELATED PARTY TRANSACTIONS

The company was under the control of Mr Woodheath throughout the current and previous years. Mr Woodheath is the managing director and majority shareholder.

During the year the company provided services to Spaflow (Utilities) Limited amounting to £4,493 (2005 - £12,555), a company controlled by Mr WoodHeath. At 31 January 2006 the company owed Spaflow (Utilities) Limited £4,750 (2004 - £4,500).

All transactions were made at arms length.

7. SHARE CAPITAL

Authorised share capital:

	2006 £	2005 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2006 No	£	2005 No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>