

COMPANY REGISTRATION NUMBER 4134882

SPAFLOW LIMITED
FINANCIAL STATEMENTS
31 JANUARY 2004

THE GRAHAM FULFORD PARTNERSHIP

Chartered Accountants
61 Bedford Street
Leamington Spa
Warwickshire
CV32 5DN



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SPAFLOW LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2004

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SPAFLOW LIMITED
THE DIRECTOR'S REPORT
YEAR ENDED 31 JANUARY 2004

The director presents his report and the unaudited financial statements of the company for the year ended 31 January 2004.

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 was as follows:

	Ordinary Shares of £1 each	
	At	At
	31 January 2004	1 February 2003
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



MRS A WOODHEATH
 Company Secretary

Approved by the director on27/1/04.....

SPAFLOW LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 JANUARY 2004

	Note	2004 £	2003 £
TURNOVER		4,241	48,780
Cost of sales		<u>2,526</u>	<u>40,197</u>
GROSS PROFIT		1,715	8,583
Administrative expenses		<u>7,099</u>	<u>12,709</u>
OPERATING LOSS	2	(5,384)	(4,126)
Interest receivable		8	2
Interest payable and similar charges		<u>(236)</u>	<u>(281)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(5,612)	(4,405)
LOSS FOR THE FINANCIAL YEAR		(5,612)	(4,405)
Balance brought forward		<u>(3,722)</u>	683
Balance carried forward		<u>(9,334)</u>	<u>(3,722)</u>

SPAFLOW LIMITED

BALANCE SHEET

31 JANUARY 2004

	Note	2004 £	£	2003 £	£
FIXED ASSETS					
Tangible assets	3		10,672		14,228
CURRENT ASSETS					
Stocks		7,500		5,259	
Debtors	4	2,926		2,511	
Cash at bank		101		—	
		<u>10,527</u>		<u>7,770</u>	
CREDITORS: Amounts falling due within one year	5	<u>29,173</u>		<u>22,703</u>	
NET CURRENT LIABILITIES			(18,646)		(14,933)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(7,974)</u>		<u>(705)</u>
CREDITORS: Amounts falling due after more than one year	6		<u>1,358</u>		<u>3,015</u>
			<u>(9,332)</u>		<u>(3,720)</u>

The Balance sheet continues on the following page.
The notes on pages 5 to 7 form part of these financial statements.

SPAFLOW LIMITED
BALANCE SHEET *(continued)*
31 JANUARY 2004

	Note	2004 £	2003 £
CAPITAL AND RESERVES			
Called-up equity share capital	8	2	2
Profit and loss account		<u>(9,334)</u>	<u>(3,722)</u>
DEFICIENCY		<u>(9,332)</u>	<u>(3,720)</u>

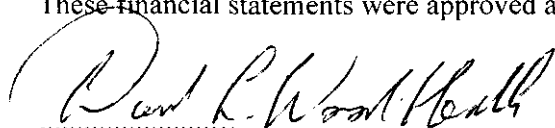
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of 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 June 2002).

These financial statements were approved and signed by the director on27/1/05.....


 MR D L WOODHEATH

SPAFLOW LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2004

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 June 2002).

Turnover

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

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

2. OPERATING LOSS

Operating loss is stated after charging:

	2004 £	2003 £
Director's emoluments	—	—
Depreciation of owned fixed assets	<u>3,556</u>	<u>3,741</u>

SPAFLOW LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2004

3. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Motor Vehicles £	Total £
COST			
At 1 February 2003 and 31 January 2004	<u>14,199</u>	<u>5,602</u>	<u>19,801</u>
DEPRECIATION			
At 1 February 2003	4,173	1,400	5,573
Charge for the year	<u>2,506</u>	<u>1,050</u>	<u>3,556</u>
At 31 January 2004	<u>6,679</u>	<u>2,450</u>	<u>9,129</u>
NET BOOK VALUE			
At 31 January 2004	<u>7,520</u>	<u>3,152</u>	<u>10,672</u>
At 31 January 2003	<u>10,026</u>	<u>4,202</u>	<u>14,228</u>

4. DEBTORS

	2004 £	2003 £
Other debtors	<u>2,926</u>	<u>2,511</u>

5. CREDITORS: Amounts falling due within one year

	2004 £	2003 £
Bank loans and overdrafts	2,584	12,113
Trade creditors	4,501	5,001
Other creditors	<u>22,088</u>	<u>5,589</u>
	<u>29,173</u>	<u>22,703</u>

6. CREDITORS: Amounts falling due after more than one year

	2004 £	2003 £
Bank loans and overdrafts	<u>1,358</u>	<u>3,015</u>

SPAFLOW LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2004

7. 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 was charged management charges by Spaflow (Utilities) Limited and JSR Enamels Limited for services provided by those companies amounting to £5,000 (2001 - £5,000). Both these companies are under the control of Mr Woodheath.

All transactions were made at arms length.

8. SHARE CAPITAL**Authorised share capital:**

	2004	2003
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2004		2003
	No	£	No
			£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>