

# **Siddall & Company Limited**

Report and Accounts  
*31 December 2003*



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OFFICERS AND PROFESSIONAL ADVISERS

<b>The Board of Directors</b>	P J Siddall E Siddall
<b>Company Secretary</b>	S Prideaux
<b>Registered Office</b>	16 Tideway Yard Mortlake High Street London SW14 8SN
<b>Auditors</b>	Rees Pollock 7 Pilgrim Street London EC4V 6DR
<b>Bankers</b>	National Westminster Bank plc PO Box 712 94 Moorgate London EC2M 6XT  Bristol & West plc PO Box 27 Broad Quay Bristol BS99 7AX
<b>Solicitors</b>	Faegre Benson Hobson Audley LLP 7 Pilgrim Street London EC4V 6LB
<b>Registered Number</b>	2561319

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DIRECTORS' REPORT

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The directors present their report and the accounts of the company for the year ended 31 December 2003.

**Principal activities and business review**

The principal activity of the company during the year was the provision of management consultancy services. The directors aim to continue to develop this in the future.

**Results and dividends**

The trading results for the year, and the company's financial position at the end of the year are shown in the attached accounts.

The directors have recommended the following dividends:

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Proposed dividends on ordinary shares	<u>20,000</u>	<u>—</u>

**The directors and their interests**

The directors who served the company during the year together with their beneficial interests in the share capital of the company were as follows:

		<b>Ordinary Shares of £1 each</b>	
		At	At
		31 December 2003	1 January 2003
P J Siddall		64,280	64,280
E Siddall		20,842	20,842
D M Smith	(Resigned 1 August 2003)	<u>—</u>	<u>—</u>

**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 at the end of the year and of the profit or loss for the year then ended.

In preparing those accounts, the directors are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the accounts 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 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.

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DIRECTORS' REPORT *(continued)*

**Donations**

During the year the company made the following contributions:

	2003	2002
	£	£
Charitable	<u>2,210</u>	<u>—</u>

**Auditors**

The auditors, Rees Pollock, are deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 31 March 1994.

ON BEHALF OF THE BOARD



P J Siddall  
Director

22 March 2004



# REES POLLOCK

Chartered Accountants

7 Pilgrim Street

London EC4V 6DR

Telephone 020 7329 6404

Fax 020 7329 6408

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIDDALL & COMPANY LIMITED**

We have audited the accounts on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an 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 and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

### **Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 2003 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Rees Pollock  
Chartered Accountants  
Registered Auditors

29 March 2004

Siddall & Company Limited

**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December 2003

	<b>Note</b>	<b>2003 £</b>	<b>2002 £</b>
<b>TURNOVER</b>	<b>2</b>	934,938	619,150
Cost of sales		(641,908)	(474,721)
<b>GROSS PROFIT</b>		293,030	144,429
Administrative expenses		(191,431)	(172,770)
<b>OPERATING PROFIT/(LOSS)</b>	<b>3</b>	101,599	(28,341)
Interest receivable		3,424	3,729
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		105,023	(24,612)
Tax on profit/(loss) on ordinary activities	<b>6</b>	(13,802)	—
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>		91,221	(24,612)
Dividends	<b>7</b>	(20,000)	—
<b>RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		71,221	(24,612)
Balance brought forward		(39,882)	(15,270)
Purchase of own shares		(9,000)	—
Balance carried forward		<u>22,339</u>	<u>(39,882)</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

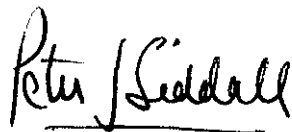
The notes on pages 7 to 12 form part of these accounts.

Siddall & Company Limited

**BALANCE SHEET**

at 31 December 2003

	<b>Note</b>	<b>£</b>	<b>2003 £</b>	<b>2002 £</b>
<b>FIXED ASSETS</b>				
Tangible assets	8		7,562	51
Investments	9		2,725	2,725
			<u>10,287</u>	<u>2,776</u>
<b>CURRENT ASSETS</b>				
Debtors	10	148,342		103,373
Cash at bank		190,943		77,502
			<u>339,285</u>	<u>180,875</u>
<b>CREDITORS: amounts falling due within one year</b>	11	<u>166,893</u>		<u>63,193</u>
<b>NET CURRENT ASSETS</b>			<u>172,392</u>	<u>117,682</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>182,679</u>	<u>120,458</u>
<b>CAPITAL AND RESERVES</b>				
Called-up equity share capital	13		120,710	129,710
Share premium account			30,630	30,630
Other reserves	14		9,000	—
Profit and loss account			22,339	(39,882)
<b>SHAREHOLDERS' FUNDS</b>	15		<u>182,679</u>	<u>120,458</u>



P J Siddall  
Director

22 March 2004

The notes on pages 7 to 12 form part of these accounts.

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NOTES TO THE ACCOUNTS

for the year ended 31 December 2003

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The accounts have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the accounts on the grounds that the company is small.

**Turnover**

The turnover shown in the profit and loss account represents the value of goods and services provided during the year, stated net of value added tax.

**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:

Office Equipment	-	over 4 years
Computer Equipment	-	over 2-3 years

**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 the transaction. All exchange differences are taken to the profit and loss account.

**Going concern**

The accounts have been prepared on a going concern basis as the directors consider there to be sufficient financial resources available to enable the company to continue for the foreseeable future.

**2. TURNOVER**

The turnover and profit before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	2003	2002
	£	£
United Kingdom	359,869	120,011
Europe	575,069	499,139
	<u>934,938</u>	<u>619,150</u>



## NOTES TO THE ACCOUNTS

for the year ended 31 December 2003

**3. OPERATING PROFIT/(LOSS)**

Operating profit/(loss) is stated after charging/(crediting):

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Depreciation of owned fixed assets	1,788	13,478
Profit on disposal of fixed assets	(60)	(29)
Auditors' remuneration		
- as auditors	4,100	4,850
- for other services	1,250	1,200
Net profit on foreign currency translation	<u>(4,354)</u>	<u>(11,972)</u>

**4. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to:

	<b>2003</b>	<b>2002</b>
	<b>No</b>	<b>No</b>
Administration	3	3
Consultancy	3	3
	<u>6</u>	<u>6</u>

The aggregate payroll costs of the above were:

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Wages and salaries	379,183	311,091
Social security costs	27,778	26,383
	<u>406,961</u>	<u>337,474</u>

**5. DIRECTORS' EMOLUMENTS**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Emoluments	<u>216,126</u>	<u>206,409</u>

Emoluments of highest paid director:

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Total emoluments (excluding pension contributions):	<u>157,249</u>	<u>94,189</u>

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2003

**6. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES****(a) Analysis of charge in the year**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Current tax:		
UK Corporation tax based on the results for the year at 19% (2002 - 19.25%)	13,802	—
Total current tax	<u>13,802</u>	<u>—</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit/(loss) on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 19% (2002 - 19.25%).

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Profit/(loss) on ordinary activities before taxation	<u>105,023</u>	<u>(24,612)</u>
Profit/(loss) on ordinary activities multiplied by rate of tax	19,954	(4,737)
Effects of:		
Expenses not deductible for tax purposes (primarily entertaining)	1,723	273
Timing differences on fixed assets	(1,618)	1,799
(Use of)/unrelieved losses	<u>(6,257)</u>	<u>2,665</u>
Total current tax (note 6(a))	<u>13,802</u>	<u>—</u>

**7. DIVIDENDS**

The following dividends have been proposed in respect of the year:

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Proposed dividend on ordinary shares	<u>20,000</u>	<u>—</u>

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2003

**8. TANGIBLE FIXED ASSETS**

	Office and Computer Equipment £
Cost	
At 1 January 2003	67,195
Additions	9,299
Disposals	(23,424)
At 31 December 2003	<u>53,070</u>
Depreciation	
At 1 January 2003	67,144
Charge for the year	1,788
On disposals	(23,424)
At 31 December 2003	<u>45,508</u>
Net book value	
At 31 December 2003	<u>7,562</u>
At 31 December 2002	<u>51</u>

**9. INVESTMENTS**

	Subsidiary Undertakings	Other Investments	Total
	£	£	£
Cost			
At 1 January 2003 and 31 December 2003	<u>51</u>	<u>2,674</u>	<u>2,725</u>
Net book value			
At 31 December 2003	<u>51</u>	<u>2,674</u>	<u>2,725</u>
At 31 December 2002	<u>51</u>	<u>2,674</u>	<u>2,725</u>

Both investments are in unlisted trading companies and are valued at cost.

The company owns 51% of the ordinary share capital of Siddall & Company (International) Limited, a company whose principal activity is the provision of management consultancy services. Results and aggregate capital and reserves were as follows:

	2003 £	2002 £
Aggregate capital and reserves	(2,843)	(1,128)
Profit and (loss) for the year	(1,715)	(1,674)

Consolidated accounts have not been prepared as the company is taking advantage of the exception conferred by s.248 of the companies act 1985 on the grounds that it is a small company.

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2003

**10. DEBTORS**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Trade debtors	131,721	87,215
Other debtors	14,035	11,486
Prepayments and accrued income	2,586	4,672
	<u>148,342</u>	<u>103,373</u>

**11. CREDITORS: amounts falling due within one year**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Trade creditors	55,479	36,216
Corporation tax	13,802	–
Other taxation and social security	31,614	6,898
Dividends payable	20,000	–
Other creditors	1,283	903
Accruals and deferred income	44,715	19,176
	<u>166,893</u>	<u>63,193</u>

**12. RELATED PARTY TRANSACTIONS**

PJ Siddall has a material interest in Peter J Siddall Management Consultants. During the year Peter J Siddall Management Consultants provided services to the company for £35,000 (2002: £39,755) at market value. At the balance sheet date the amount due from Peter J Siddall Management Consultants was £7,375 (2002: £nil).

The amount due from Siddall & Company (International) Limited, the company's 51% subsidiary, at the balance sheet date was £10,123 (2002: £10,123).

**13. SHARE CAPITAL**

Authorised share capital:

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

Allotted, called up and fully paid:

	<b>2003</b>		<b>2002</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
Ordinary shares of £1 each	<u>120,710</u>	<u>120,710</u>	<u>129,710</u>	<u>129,710</u>

## NOTES TO THE ACCOUNTS

for the year ended 31 December 2003

**14. OTHER RESERVES**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Purchase of own shares	<u>9,000</u>	<u>—</u>

In order to simplify its shareholder structure the company during the year repurchased 9,000 ordinary shares of £1 each at par. This represented 6.9% of the called-up share capital at the time of repurchase.

**15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2003</b>	<b>2002</b>
<b>£</b>	<b>£</b>	<b>£</b>
Profit/(Loss) for the financial year	91,221	(24,612)
Dividends	(20,000)	—
	<u>71,221</u>	<u>(24,612)</u>
Purchase of own equity shares	(9,000)	—
Net addition/(reduction) to funds	62,221	(24,612)
Opening equity shareholders' funds	120,458	145,070
Closing equity shareholders' funds	<u>182,679</u>	<u>120,458</u>