

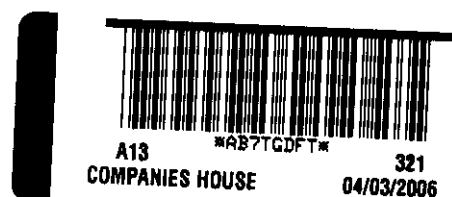
## **Abbeygate Builders Merchants Limited**

**Company No. 02755338**

**Financial Statements**

**For the year ended**

**30 November 2005**



# **Abbeygate Builders Merchants Limited**

## **Company Information**

### **Directors**

D.R. Cooney  
A.F. O'Brien  
P.C. Ramage  
P. Seymour

### **Secretary**

D.R. Cooney

### **Registered Office**

Middlesex House  
800 Uxbridge Road  
Hayes  
Middlesex  
UB4 0RS

### **Bankers**

Allied Irish Bank Plc  
14 Neeld Parade  
Wembley Hill Road  
Wembley, Middlesex  
HA9 6SW

### **Auditors**

Kingston Smith  
Middlesex House  
800 Uxbridge Road  
Hayes  
Middlesex  
UB4 0RS

# Abbeygate Builders Merchants Limited

## Contents

	Page
Directors' report	1
Independent auditors' report	2
Profit and loss account	3
Balance sheet	4
Cash flow statement	5
Notes to the cash flow statement	6
Notes to the financial statements	7 - 14

# Abbeygate Builders Merchants Limited

## Report of the Directors

The directors have pleasure in presenting their report and financial statements for the year ended 30 November 2005.

### Principal activities

The principal activities of the company throughout the year was that of builders merchants.

The results for the year and the financial position at the year end were considered disappointing by the directors who expect performance to improve in the future.

### Directors

The following directors have held office since 1 December 2004:

D.R. Cooney  
A.F. O'Brien  
P.C. Ramage  
P. Seymour

### Directors and their interests

The directors who served the company during the year together with their interests (including family interests) in the shares of the company at the beginning (or subsequent date of appointment) and end of the year, were as follows:

	Ordinary shares of £ 1 each	
	30 November 2005	1 December 2004
D.R. Cooney	2,500	2,500
A.F. O'Brien	2,500	2,500
P.C. Ramage	2,500	2,500
P. Seymour	2,000	2,000

Charitable donations	2005	2004
	£	£

During the year the company made the following payments:

Charitable donations	533	761
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### Auditors

Kingston Smith have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors to the company for the ensuing year.

### Small company rules

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

On behalf of the Board

D.R. Cooney  
Director

*D.R. Cooney*

Middlesex House  
800 Uxbridge Road  
Hayes  
Middlesex  
UB4 0RS

Date: 3/3/06

# Abbeygate Builders Merchants Limited

## Directors' Responsibilities & Report of the Auditors

### 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 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 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.

### Independent Auditors' Report to the Shareholders of Abbeygate Builders Merchants Limited

We have audited the financial statements of Abbeygate Builders Merchants Limited for the year ended 30 November 2005 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purposes other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the financial statements 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 financial statements, 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 November 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Middlesex House  
800 Uxbridge Road  
Hayes, Middlesex

UB4 0RS

Date: 3 March 2006

Kingston Smith  
Kingston Smith  
Chartered Accountants  
and Registered Auditors

**Abbeygate Builders Merchants Limited**  
**Profit and Loss Account**  
**For the year ended 30 November 2005**

	Notes	2005 £	2004 £
Turnover		4,838,125	4,993,377
Cost of sales		(3,702,634)	(4,090,724)
<b>Gross profit</b>		<b>1,135,491</b>	<b>902,653</b>
Administrative expenses		(1,004,875)	(1,004,122)
<b>Operating profit/(loss)</b>	<b>2</b>	<b>130,616</b>	<b>(101,469)</b>
Interest payable and similar charges		(61,765)	(54,042)
<b>Profit/(Loss) on ordinary activities before taxation</b>		<b>68,851</b>	<b>(155,511)</b>
Tax on profit/(loss) on ordinary activities	<b>5</b>	(3,913)	20,333
<b>Profit/(Loss) on ordinary activities after taxation</b>		<b>64,938</b>	<b>(135,178)</b>
Dividends		(48,820)	(158,664)
<b>Retained profit/(loss) for the year</b>	<b>12</b>	<b>16,118</b>	<b>(293,842)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# Abbeygate Builders Merchants Limited

## Balance Sheet

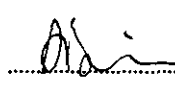
As at 30 November 2005

	Notes	2005 £	£	2004 £	£
<b>Fixed Assets</b>					
Tangible assets	6		29,178		42,730
Investments	7		2,550		2,550
			<u>31,728</u>		<u>45,280</u>
<b>Current Assets</b>					
Stocks		193,991		190,091	
Debtors	8	1,220,046		988,235	
Cash at bank and in hand		1,479		750	
		<u>1,415,516</u>		<u>1,179,076</u>	
<b>Creditors: Amounts falling due within one year</b>	9	<u>(1,423,646)</u>		<u>(1,376,626)</u>	
<b>Net Current Liabilities</b>			<u>(8,130)</u>		<u>(197,550)</u>
<b>Total Assets Less Current Liabilities</b>			23,598		(152,270)
<b>Creditors: Amounts falling due after more than one year</b>	10		(199,750)		(40,000)
<b>Net Liabilities</b>			<u>(176,152)</u>		<u>(192,270)</u>
<b>Capital and Reserves</b>					
Called up share capital	11		10,000		10,000
Other reserves	12		(20,000)		(20,000)
Profit and loss account	12		(166,152)		(182,270)
<b>Shareholders' Funds Equity Interests</b>			<u>(176,152)</u>		<u>(192,270)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 3/3/06...

  
D.R. Cooney  
Director

  
A.F. O'Brien  
Director

**Abbeygate Builders Merchants Limited**  
**Cash Flow Statement**  
**For the year ended 30 November 2005**

	2005		2004
	£	£	£
<b>Net Cash (Outflow)/Inflow from Operating Activities (Note 1)</b>		(89,946)	228,791
<b>Returns on Investments and Servicing of Finance</b>			
Interest paid	(61,765)		(54,042)
	<u>          </u>		<u>          </u>
<b>Net Cash Outflow for Returns on Investments and Servicing of Finance</b>		(61,765)	(54,042)
<b>Taxation</b>		-	(4,865)
<b>Capital Expenditure</b>			
Payments to acquire tangible assets	(4,250)		(11,437)
Receipts from sales of tangible assets	1,750		-
	<u>          </u>		<u>          </u>
<b>Net Cash Outflow for Capital Expenditure</b>		(2,500)	(11,437)
<b>Equity Dividends Paid</b>		(48,820)	(158,664)
		<u>          </u>	<u>          </u>
<b>Net Cash Outflow before Management of Liquid Resources and Financing</b>		(203,031)	(217)
<b>Financing</b>			
Other new long term loans	159,750		40,000
	<u>          </u>		<u>          </u>
<b>Net Cash Inflow from Financing</b>		159,750	40,000
		<u>          </u>	<u>          </u>
<b>(Decrease)/Increase in Cash (Note 2)</b>		<u>          (43,281)          </u>	<u>          39,783          </u>



**Abbeygate Builders Merchants Limited**  
**Notes to the Cashflow Statement**  
**For the year ended 30 November 2005**

1	<b>Reconciliation of Operating Profit/(Loss) to Net Cash (Outflow)/Inflow from Operating Activities</b>	<b>2005</b>	<b>2004</b>		
		<b>£</b>	<b>£</b>		
	Operating profit/(loss)	130,616	(101,469)		
	Depreciation of tangible assets	14,772	16,123		
	Loss on disposal of tangible assets	1,280	1,941		
	(Increase)/decrease in stocks	(3,900)	78,225		
	(Increase)/decrease in debtors	(231,436)	59,617		
	(Decrease)/Increase in creditors within one year	(1,278)	94,354		
	Award of shares from employee benefit trust	-	80,000		
	<b>Net Cash (Outflow)/Inflow from Operating Activities</b>	<b>(89,946)</b>	<b>228,791</b>		
2	<b>Reconciliation of Net Cash Flow to Movement in Net Debt (Note 3)</b>	<b>2005</b>	<b>2004</b>		
		<b>£</b>	<b>£</b>		
	(Decrease)/increase in cash in the year	(43,281)	39,783		
	Cash inflow from increase in debt	(159,750)	(40,000)		
	<b>Movement in net debt in the year</b>	<b>(203,031)</b>	<b>(217)</b>		
	Opening net debt	(616,810)	(616,593)		
	<b>Closing net debt</b>	<b>(819,841)</b>	<b>(616,810)</b>		
3	<b>Analysis of Changes in Net Debt</b>	<b>1 December 2004</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>30 November 2005</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Net cash:				
	Cash at bank and in hand	750	729	-	1,479
	Bank overdrafts	(577,560)	(44,010)	-	(621,570)
		<u>(576,810)</u>	<u>(43,281)</u>	<u>-</u>	<u>(620,091)</u>
	Debt:				
	Debts falling due after one year	(40,000)	(159,750)	-	(199,750)
	<b>Net debt</b>	<u><b>(616,810)</b></u>	<u><b>(203,031)</b></u>	<u><b>-</b></u>	<u><b>(819,841)</b></u>

# Abbeygate Builders Merchants Limited

## Notes to the Financial Statements

### For the year ended 30 November 2005

#### 1 Accounting Policies

##### a) Accounting basis and standards

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards. The accounting policies remain unchanged from the prior year.

At the balance sheet date the company had Net Liabilities of £176,152 (2004 - £192,270). The company meets its day to day working capital requirements through a bank overdraft facility, a debt factoring facility and the continuing financial support of the directors. The directors consider that the company will operate within the approved facilities for the foreseeable future. The directors have also agreed to provide continued financial support to the company, as required, for the foreseeable future. For the reasons noted above, the directors believe that it is appropriate for these financial statements to be prepared on a going concern basis.

##### b) Investments

Fixed asset investments are stated at cost less provision for diminution in value.

##### c) Depreciation

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

Plant and machinery	15% straight line
Fixtures, fittings & equipment	20%/33% straight line
Motor vehicles	25% reducing balance

##### d) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition, including where appropriate, a proportion of manufacturing overheads.

##### e) Turnover

Turnover represents the invoiced value of goods and services provided net of value added tax.

##### f) Deferred taxation

In accordance with FRS 19, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date.

##### g) Leasing commitments

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### h) Pension scheme arrangements

The company makes contributions to a defined contribution scheme, the assets of the scheme being held separately from the assets of the company. The pension cost charge represents contributions payable to the scheme.

##### i) Employee Benefit Trust

In accordance with UITF 38, the intrinsic value of awards to employees of shares is charged to the profit and loss account over the period to which the employees' performance relates.

The administration costs of the Abbeygate Builders Merchants Employee Benefit Trust are included in the profit and loss account. The consideration paid or received for the purchase or sale of the company's own shares is shown as a movement on shareholders' funds.

**Abbeygate Builders Merchants Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 November 2005 (continued)**

2 <b>Operating Profit/(Loss)</b>	2005	2004
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets:		
Owned assets	14,772	16,123
Loss on disposal of tangible assets	1,280	1,941
Award of shares from employee benefit trust	-	80,000
Operating lease rentals		
- Plant and machinery	2,582	1,443
- Other assets	84,000	84,000
Auditors' remuneration	9,000	9,000
Directors' emoluments	59,973	120,545
	<u>59,973</u>	<u>120,545</u>

**3    Employee Information**

The average number of employees (including directors) during the year was:

	2005	2004
	Number	Number
Administration	8	6
Selling and Distribution	21	17
	<u>29</u>	<u>23</u>

The total remuneration was:

	£	£
Wages and salaries	580,287	562,166
Social security costs	56,091	45,079
Other pension costs	-	624
	<u>636,378</u>	<u>607,869</u>

4 <b>Directors' Emoluments</b>	2005	2004
	£	£
Emoluments for qualifying services	59,973	39,921
Amounts receivable under long term incentive schemes	-	80,000
Company pension contributions to money purchase schemes	-	624
	<u>59,973</u>	<u>120,545</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2004- 2).

**Abbeygate Builders Merchants Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 November 2005 (continued)**

5 Taxation	2005	2004
	£	£
<b>Domestic current year tax</b>		
U.K. corporation tax	4,288	-
	<hr/>	<hr/>
<b>Current tax charge</b>	4,288	-
	<hr/>	<hr/>
<b>Deferred tax</b>		
Deferred tax (credit)/charge current year	(375)	(20,333)
	<hr/>	<hr/>
	3,913	(20,333)
	<hr/>	<hr/>
<b>Factors affecting the tax charge for the year</b>		
Profit/(loss) on ordinary activities before taxation	68,851	(155,511)
	<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2004: 19.00%)	13,082	(29,547)
	<hr/>	<hr/>
Effects of:		
Non deductible expenses	2,579	3,538
Depreciation	2,806	2,150
Capital allowances	(1,758)	(2,187)
Tax losses utilised	(12,421)	-
Other tax adjustments	-	26,046
	<hr/>	<hr/>
	(8,794)	29,547
	<hr/>	<hr/>
<b>Current tax charge</b>	4,288	-
	<hr/>	<hr/>

The company has estimated losses of £ nil (2004: £ 65,377) available for carry forward against future trading profits.

The deferred taxation is a net asset of £1,144 (2004: £769) and so accordingly is included within debtors (see Note 8) in the balance sheet. The deferred tax asset relates entirely to depreciation in excess of capital allowances.

**Abbeygate Builders Merchants Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 November 2005 (continued)**

**6 Tangible Assets**

	<b>Plant and machinery etc</b>
	<b>£</b>
<b>Cost</b>	
At 1 December 2004	188,066
Additions	4,250
Disposals	(8,033)
	<hr/>
At 30 November 2005	184,283
	<hr/>
<b>Depreciation</b>	
At 1 December 2004	145,336
On disposals	(5,003)
Charge for the year	14,772
	<hr/>
At 30 November 2005	155,105
	<hr/>
<b>Net book value</b>	
At 30 November 2005	29,178
	<hr/>
At 30 November 2004	42,730
	<hr/>

**7 Investments**

	<b>Unlisted investments</b>
	<b>£</b>
<b>Cost</b>	
At 1 December 2004 & at 30 November 2005	2,550
	<hr/>

Investments are stated at cost. The market value is not materially different from cost.

**Abbeygate Builders Merchants Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 November 2005 (continued)**

8 Debtors	2005 £	2004 £
Trade debtors	1,031,048	903,010
Other debtors	134,263	65,475
Prepayments and accrued income	53,591	18,981
Deferred tax asset	1,144	769
	<u>1,220,046</u>	<u>988,235</u>

**Deferred tax asset**

	2005 £
Balance at 1 December 2004	769
Profit and loss account	375
	<u>1,144</u>
Balance at 30 November 2005	<u>1,144</u>

	2005 £	2004 £
Accelerated capital allowances	1,144	769
	<u>1,144</u>	<u>769</u>

Included within trade debtors is an amount of £1,031,048 (2004: £903,010) relating to factored debts.

9 Creditors: Amounts Falling Due Within One Year	2005 £	2004 £
Bank loans and overdrafts	621,570	577,560
Trade creditors	612,834	730,067
Corporation tax	4,288	-
Taxation and social security	65,140	14,530
Other creditors	119,814	54,469
	<u>1,423,646</u>	<u>1,376,626</u>

Included in bank loans and overdrafts is an advance by Venture Finance Plc of £552,379 (2004: £456,318) which is secured over the assets of the company. The bank overdraft of £74,279 (2004: £121,242) is guaranteed by Venture Finance plc for the sum of £76,000.

Allied Irish Bank Plc hold a fixed and floating charge over the assets of the company.

**Abbeygate Builders Merchants Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 November 2005 (continued)**

10	Creditors: Amounts Falling Due After More Than One Year	2005 £	2004 £		
	Other creditors	199,750	40,000		
11	Share Capital	2005 £	2004 £		
	Authorised				
	10,000 Ordinary shares of £1 each	10,000	10,000		
	Allotted, called up and fully paid				
	10,000 Ordinary shares of £1 each	10,000	10,000		
12	Shareholders' funds				
2005	Share capital	Non-distributable reserves	Profit and loss account	Total	
	£	£	£	£	
	Balance at 1 December 2004	10,000	(20,000)	(182,270)	(192,270)
	Retained profit for the year	-	-	16,118	16,118
	Balance at 30 November 2005	10,000	(20,000)	(166,152)	(176,152)
2004	Share capital	Non-distributable reserves	Profit and loss account	Total	
	£	£	£	£	
	Balance at 1 December 2003	10,000	(100,000)	111,572	21,572
	Retained loss for the year	-	-	(293,842)	(293,842)
	Movement during the year	-	80,000	-	80,000
	Balance at 30 November 2004	10,000	(20,000)	(182,270)	(192,270)

The non-distributable reserve represents 500 ordinary shares of £1 each (2004 : 500 shares) held by Abbeygate Builders Merchants Employee Benefit Trust at a cost of £20,000 (2004 : £20,000).

**Abbeygate Builders Merchants Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 November 2005 (continued)**

**13 Future Financial Commitments**

**a) Operating leases**

At 30 November 2005 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Operating lease which expire:		
within one year	60,000	-
in the second to fifth year	-	60,000
	<u>60,000</u>	<u>60,000</u>

**b) Pension commitments**

**Defined contribution**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Contributions payable by the company for the year	-	624
	<u>-</u>	<u>624</u>

**14 Loans to Directors**

The following directors had interest free loans during the year. The movement on these loans are as follows:

	<b>Amount outstanding</b>		<b>Maximum</b>
	<b>2005</b>	<b>2004</b>	<b>in year</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Included in other debtors are the following:			
D.R. Cooney	39,862	20,596	39,862
A.F. O'Brien	22,046	2,980	22,046
P.C. Ramage	24,885	5,619	24,885
P. Seymour	18,417	4,880	18,417
	<u>104,210</u>	<u>33,075</u>	<u>104,210</u>

Included within other creditors due in more than one year are interest free loans made to the company from the directors consisting of £99,750 (2004: £40,000) from D.R. Cooney and £100,000 (2004: nil) from A.F. O'Brien.

**15 Related Party Transactions**

The company pays an annual rent of £60,000 (2004 : £60,000) for the use of the Trumpers Way site to the Abbeygate Executive Pension Scheme, whose trustees are the following directors:

D.R. Cooney  
P.C. Ramage  
A.F. O'Brien

The balance with Abbeygate Executive Pension Scheme at the year end was £13,836 Dr (2004 : £12,745).



**Abbeygate Builders Merchants Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 November 2005 (continued)**

**16 Controlling Party**

There is no one controlling party.