

I. M. DEMPSTER LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2003



I. M. DEMPSTER LIMITED

COMPANY INFORMATION

Directors	I M Dempster Mary Dempster
Secretary	Mary Dempster
Company number	67552
Registered office	15 Caesar Avenue Carnoustie DD7 6DR
Accountants	Henderson Loggie Royal Exchange Panmure Street Dundee DD1 1DZ
Bankers	Royal Bank of Scotland plc 97 High Street Carnoustie DD7 6YB

I. M. DEMPSTER LIMITED

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I. M. DEMPSTER LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 5 APRIL 2003

The directors present their report and financial statements for the year ended 5 April 2003.

Principal activities

The principal activities of the company in the year under review continue to be that of designing and consulting engineers in electrical, electronics and instrumentation.

Directors

The following directors have held office since 6 April 2002:

I M Dempster
Mary Dempster

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	5 April 2003	6 April 2002
I M Dempster	1	1
Mary Dempster	1	1

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

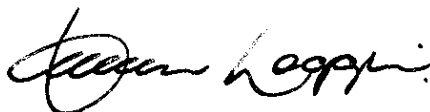


Mary Dempster
Secretary
6 June 2003

I. M. DEMPSTER LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF I. M. DEMPSTER LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 5 April 2003, set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.



Henderson Loggie

Chartered Accountants

6 June 2003

Royal Exchange
Panmure Street
Dundee
DD1 1DZ

I. M. DEMPSTER LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 5 APRIL 2003

		2003	2002
	Notes	£	£
Turnover		45,560	45,747
Cost of sales		(9,435)	(8,751)
Gross profit		36,125	36,996
Administrative expenses		(13,778)	(18,509)
Other operating income		-	17
Operating profit	2	22,347	18,504
Other interest receivable and similar income		99	174
Profit on ordinary activities before taxation		22,446	18,678
Tax on profit on ordinary activities	3	(2,990)	(1,022)
Profit on ordinary activities after taxation		19,456	17,656
Dividends		(19,206)	(18,550)
Retained profit/(loss) for the year	9	250	(894)

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.

I. M. DEMPSTER LIMITED

BALANCE SHEET AS AT 5 APRIL 2003

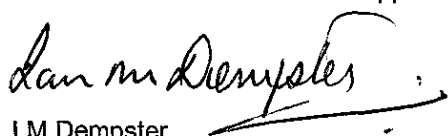
	Notes	2003 £	£	2002 £	£
Fixed assets					
Tangible assets	4		5,703		7,736
Current assets					
Debtors	5	-		306	
Cash at bank and in hand		17,585		14,061	
		<u>17,585</u>		<u>14,367</u>	
Creditors: amounts falling due within one year	6	<u>(7,243)</u>		<u>(6,308)</u>	
Net current assets			<u>10,342</u>		<u>8,059</u>
Total assets less current liabilities			<u><u>16,045</u></u>		<u><u>15,795</u></u>
Capital and reserves					
Called up share capital	8		2		2
Profit and loss account	9		16,043		15,793
Shareholders' funds - equity interests	10		<u><u>16,045</u></u>		<u><u>15,795</u></u>

In preparing these financial statements:

- The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- Members have not required the company to obtain an audit under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibilities for:
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - 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 the requirements of this Act relating to accounts, so far as applicable to the company.

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

The financial statements were approved by the Board on 6 June 2003



I M Dempster
Director

I. M. DEMPSTER LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2003

1 Accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Tangible fixed assets and depreciation

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

Computer equipment	25% straight line basis
Office and drawing equipment	25% reducing balance basis
Motor vehicles	25% reducing balance basis

Pensions

The company operates a defined contribution pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Operating profit	2003 £	2002 £
Operating profit is stated after charging:		
Depreciation of tangible assets	2,033	2,863
Directors' emoluments	15,523	14,866
and after crediting:		
Profit on disposal of tangible assets	-	(270)
	<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2002 - 2).

I. M. DEMPSTER LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2003

3	Taxation	2003 £	2002 £
	Domestic current year tax		
	U.K. corporation tax	2,990	2,939
	Adjustment for prior years	-	(1,913)
		<u>2,990</u>	<u>1,026</u>
	Current tax charge	2,990	1,026
	Deferred tax		
	Deferred tax charge/credit current year	-	(4)
		<u>2,990</u>	<u>1,022</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>22,446</u>	<u>18,678</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2002 : 20.00%)	<u>4,265</u>	<u>3,736</u>
	Effects of:		
	Non deductible expenses	10	7
	Excess of capital allowances over depreciation	17	(9)
	Adjustments to previous periods	-	(1,913)
	Marginal relief	(1,302)	(795)
		<u>(1,275)</u>	<u>(2,710)</u>
	Current tax charge	<u>2,990</u>	<u>1,026</u>

I. M. DEMPSTER LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2003

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 6 April 2002 & at 5 April 2003	14,315
Depreciation	
At 6 April 2002	6,579
Charge for the year	2,033
At 5 April 2003	8,612
Net book value	
At 5 April 2003	5,703
At 5 April 2002	7,736

5 Debtors	2003 £	2002 £
Other debtors	-	306

6 Creditors: amounts falling due within one year	2003 £	2002 £
Taxation and social security	5,709	5,183
Other creditors	1,534	1,125
	7,243	6,308

7 Pension costs

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2003 £	2002 £
Contributions payable by the company for the year	-	2,000

I. M. DEMPSTER LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2003

8	Share capital	2003	2002
		£	£
	Authorised		
	2 Ordinary shares of £ 1 each	<u>2</u>	<u>2</u>
	Allotted, called up and fully paid		
	2 Ordinary shares of £ 1 each	<u>2</u>	<u>2</u>
9	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 6 April 2002		15,793
	Retained profit for the year		<u>250</u>
	Balance at 5 April 2003		<u>16,043</u>
10	Reconciliation of movements in shareholders' funds	2003	2002
		£	£
	Profit for the financial year	19,456	17,656
	Dividends	<u>(19,206)</u>	<u>(18,550)</u>
	Net addition to/(depletion in) shareholders' funds	250	(894)
	Opening shareholders' funds	<u>15,795</u>	<u>16,689</u>
	Closing shareholders' funds	<u>16,045</u>	<u>15,795</u>
11	Transactions with directors	Amount outstanding	Maximum
		2003	in year
		£	£
	Director's current account	<u>-</u>	<u>306</u>