

REGISTRATION

Registration Number 1922662

EASTSWORD LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH APRIL 2004



Thain Wildbur (Fakenham)
Accountants
23 Market Place
Fakenham
Norfolk
NR21 9BS

EASTSWORD LIMITED

COMPANY INFORMATION

DIRECTORS R W J MYHILL Chairman
MRS A C UTTING
MRS L A ELLIS

SECRETARY MRS A C UTTING

COMPANY NUMBER 1922662

REGISTERED OFFICE Main Cross Road
Great Yarmouth
Norfolk
NR30 3NZ

BUSINESS ADDRESS Kirkland House
Main Cross Road
Great Yarmouth
Norfolk

BANKERS H S B C
21 Hall Quay
Great Yarmouth
Norfolk
NR30 IHN

EASTSWORD LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 30TH APRIL 2004

The directors present their report and the financial statements for the year ended 30th April 2004.

PRINCIPAL ACTIVITY

The principal activity of the company is the specialist procurement of stock and equipment and the supply of management and technical services to the construction and engineering industry.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	2004	2003
R W J MYHILL Chairman	2	2
MRS A C UTTING	-	-
MRS L A ELLIS	-	-

DIRECTORS' RESPONSIBILITIES

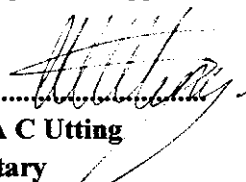
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements 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 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.

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

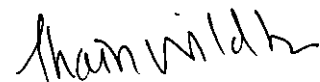
This report was approved by the Board on 31st January 2005 and signed on its behalf by

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Mrs A C Utting
Secretary

ACCOUNTANTS REPORT ON THE FINANCIAL STATEMENTS TO THE DIRECTORS OF
EASTSWORD LIMITED

As described on the Balance Sheet you are responsible for the preparation of the financial statements for the year ended 30th April 2004 set out on pages 3 to 10 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

Dated: 31st January 2005



Thain Wildbur (Fakenham)
Accountants
23 Market Place
Fakenham
Norfolk
NR21 9BS

EASTSWORD LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH APRIL 2004

		Continuing operations	
		2004	2003
		£	£
	Notes		
TURNOVER	2	51,990	16,574
Cost of sales		(47,151)	(9,320)
GROSS PROFIT		<u>4,839</u>	<u>7,254</u>
Administrative expenses		(7,777)	(7,876)
Other operating income		13,240	8,512
OPERATING PROFIT	3	<u>10,302</u>	<u>7,890</u>
Interest receivable and similar income		203	796
Interest payable and similar charges	4	<u>(6,644)</u>	<u>(27)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>3,861</u>	<u>8,659</u>
Tax on profit on ordinary activities	5	(1,205)	(623)
RETAINED PROFIT FOR THE YEAR		<u>2,656</u>	<u>8,036</u>
RETAINED PROFIT BROUGHT FORWARD		<u>35,840</u>	<u>27,804</u>
RETAINED PROFIT CARRIED FORWARD		<u><u>38,496</u></u>	<u><u>35,840</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 10 form an integral part of these financial statements.

EASTSWORD LIMITED

BALANCE SHEET
AS AT 30TH APRIL 2004

		2004		2003	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	7		269,487		147,105
CURRENT ASSETS					
Debtors	8	1,372		13,689	
Cash at bank and in hand		19,207		8,533	
		<u>20,579</u>		<u>22,222</u>	
CREDITORS:					
amounts due within one year	9	<u>(250,031)</u>		<u>(132,547)</u>	
NET CURRENT LIABILITIES			<u>(229,452)</u>		<u>(110,325)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			40,035		36,780
PROVISION FOR LIABILITIES AND CHARGES					
	10		(1,537)		(938)
NET ASSETS			<u>38,498</u>		<u>35,842</u>
CAPITAL AND RESERVES					
Called up share capital	11		2		2
Profit and loss account			38,496		35,840
SHAREHOLDERS FUNDS			<u>38,498</u>		<u>35,842</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 10 form an integral part of these financial statements.

EASTSWORD LIMITED

BALANCE SHEET (CONTINUED)

DIRECTORS' STATEMENTS REQUIRED BY SECTION 249B(4)
FOR THE YEAR ENDED 30TH APRIL 2004

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 30th April 2004 and

(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) 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 year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements approved by the Board on 31st January 2005 and signed on its behalf by



.....
Director

The notes on pages 6 to 10 form an integral part of these financial statements.

EASTSWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL 2004

1. ACCOUNTING POLICIES

1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

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

Fixtures, fittings and equipment	-	15% reducing balance
Motor vehicles	-	25% reducing balance

The directors consider that freehold properties are maintained in such a state of repair that their residual value is at least equal to their net book value. As a result the corresponding depreciation would not be material and therefore is not charged in the profit and loss account.

The directors perform annual impairment reviews in accordance with the requirements of FRS 15 and FRS 11 to ensure that the recoverable amount is not lower than the carrying value.

1.4. Deferred taxation

Provision is made for deferred taxation using the liability method, to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes, except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

2. TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

EASTSWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2004

..... continued

3. OPERATING PROFIT	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	5,170	3,751
	<u> </u>	<u> </u>
and after crediting:		
Profit on disposal of tangible fixed assets	1,981	-
	<u> </u>	<u> </u>
4. INTEREST PAYABLE AND SIMILAR CHARGES	2004	2003
	£	£
On bank loans and overdrafts	6,644	27
	<u> </u>	<u> </u>
5. TAXATION	2004	2003
	£	£
UK current year taxation		
Transfer to deferred taxation	599	415
Prior years		
UK Corporation Tax	606	208
	<u> </u>	<u> </u>
	1,205	623
	<u> </u>	<u> </u>
6. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2004	2003
	£	£
Profit for the year	2,656	8,036
Opening shareholders' funds	35,842	27,806
	<u> </u>	<u> </u>
Closing shareholders' funds	38,498	35,842
	<u> </u>	<u> </u>

EASTSWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2004

..... continued

7. TANGIBLE FIXED ASSETS

	Freehold Land & buildings £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1st May 2003	132,262	14,092	9,614	155,968
Additions	121,712	2,900	10,150	134,762
Disposals	-	-	(9,614)	(9,614)
At 30th April 2004	<u>253,974</u>	<u>16,992</u>	<u>10,150</u>	<u>281,116</u>
Depreciation				
At 1st May 2003	-	6,459	2,404	8,863
On disposals	-	-	(2,404)	(2,404)
Charge for the year	-	2,633	2,537	5,170
At 30th April 2004	<u>-</u>	<u>9,092</u>	<u>2,537</u>	<u>11,629</u>
Net book values				
At 30th April 2004	<u>253,974</u>	<u>7,900</u>	<u>7,613</u>	<u>269,487</u>
At 30th April 2003	<u>132,262</u>	<u>7,633</u>	<u>7,210</u>	<u>147,105</u>

8. DEBTORS

	2004 £	2003 £
Trade debtors	966	12,789
Amounts owed by group undertakings	289	289
Other debtors	117	611
	<u>1,372</u>	<u>13,689</u>

EASTSWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2004

..... continued

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2004	2003
	£	£
Trade creditors	1,195	11,017
Amounts owed to group undertaking	37	37
Directors' loan accounts	241,412	120,792
Accruals and deferred income	7,387	701
	<u>250,031</u>	<u>132,547</u>

10. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred tax is analysed over the following timing differences:

	Provided	
	2004	2003
	£	£
Accelerated capital allowances	1,537	938
	<u>1,537</u>	<u>938</u>

Movements on the provision for deferred taxation are:

	2004	2003
	£	£
At 1st May 2003	938	523
Transferred from profit and loss account	599	415
	<u>1,537</u>	<u>938</u>
At 30th April 2004	<u>1,537</u>	<u>938</u>

11. SHARE CAPITAL

	2004	2003
	£	£
Authorised equity		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Allotted, called up and fully paid equity		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

EASTSWORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2004

..... continued

12. RELATED PARTY TRANSACTIONS

Controlling interest

The company is under the control of R W J Myhill.

Related party balances:

Name	Relationship	2004	2003
		£	£
R W J Myhill	Director	(241,412)	(120,792)
A C Utting	Director	-	-
L A Ellis	Director	-	-
Kirkland's Limited	Associated company	289	289
Equipment Supply Company (GY) Ltd	Associated company	(37)	(37)

Related party transactions

During the year R W J Myhill withdrew cash of £640 and introduced cash amounting to £(121,260).

Included in trade debtors is an amount due from L A Ellis amounting to £(220) inclusive of VAT.

During the year Equipment Supply Company (GY) Ltd bought goods and services from the company for£(10,805) including VAT and sold the company goods to the value of£3,391 including VAT.

During the year Kirklands Limited bought goods and services from the company for£(11,787) including VAT and sold the company goods to the value of£3,198 including VAT.

All transactions with related parties are at full market value. Figures in brackets represent credit balances and transactions.