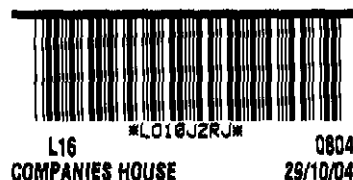


COMPANY REGISTRATION NUMBER 1238308

REGISTRAR  
OF COMPANIES

**LEWIS TYLER & SONS (FENCING) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR**  
**31 DECEMBER 2003**



**MacIntyre Hudson**

THE FUTURE IS WHAT YOU MAKE IT®

# **LEWIS TYLER & SONS (FENCING) LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **The board of directors**

A J Tyler  
H E Tyler  
I J Russell  
J L Tyler  
N C Tyler  
J A Tyler

### **Company secretary**

A J Tyler

### **Registered office**

Estate Sawmill  
Mill Green  
Hatfield  
Hertfordshire  
AL9 5PG

### **Auditors**

MacIntyre Hudson  
Chartered Accountants  
& Registered Auditors  
Greenwood House  
4/7 Salisbury Court  
London  
EC4Y 8BT

# LEWIS TYLER & SONS (FENCING) LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2003

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2003.

### PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the company during the year was that of the manufacture, sale and erection of fencing.

The directors are satisfied with the results for the year.

### 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 financial statements.

The directors have recommended the following dividends:

	2003 £	2002 £
Proposed dividends on ordinary shares	13,929	13,929
Dividends paid on ordinary shares	—	10,790
	<u>13,929</u>	<u>24,719</u>

### THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

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

	Ordinary Shares of £1 each	
	At 31 December 2003	At 1 January 2003
A J Tyler	11,120	11,120
H E Tyler	1,120	1,120
I J Russell	1,120	1,120
J L Tyler	1,120	1,120
N C Tyler	1,120	1,120
J A Tyler	—	—
	<u>          </u>	<u>          </u>

### 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 at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 10 to 11, and then apply them consistently;

# LEWIS TYLER & SONS (FENCING) LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2003

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make judgements and estimates that are reasonable and prudent; and

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. 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.


### AUDITORS

A resolution to re-appoint MacIntyre Hudson as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed by order of the directors

A J Tyler  
Company Secretary

Approved by the directors on

  
26/10/04

# **LEWIS TYLER & SONS (FENCING) LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LEWIS TYLER & SONS (FENCING) LIMITED**

**YEAR ENDED 31 DECEMBER 2003**

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We have audited the financial statements on pages 6 to 17 which have been prepared under the historical cost convention and the accounting policies set out on pages 10 to 11.

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 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.

**LEWIS TYLER & SONS (FENCING) LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
LEWIS TYLER & SONS (FENCING) LIMITED *(continued)***

**YEAR ENDED 31 DECEMBER 2003**

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**OPINION**

In our opinion the financial statements 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.

  
MACINTYRE HUDSON  
Chartered Accountants  
& Registered Auditors

Greenwood House  
4/7 Salisbury Court  
London  
EC4Y 8BT

29 Oct 2004

**LEWIS TYLER & SONS (FENCING) LIMITED****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 DECEMBER 2003**

	Note	2003 £	2002 £
<b>TURNOVER</b>	2	3,577,989	3,784,223
Cost of sales		<u>2,616,518</u>	<u>2,792,527</u>
<b>GROSS PROFIT</b>		961,471	991,696
Administrative expenses		<u>789,280</u>	<u>710,305</u>
<b>OPERATING PROFIT</b>	3	172,191	281,391
Interest receivable		11,428	5,927
Interest payable	6	(10,518)	(17,044)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>173,101</u>	<u>270,274</u>
Tax on profit on ordinary activities	7	37,542	52,040
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<u>135,559</u>	<u>218,234</u>
Dividends	8	13,929	24,719
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		<u>121,630</u>	<u>193,515</u>
Balance brought forward		997,361	803,846
Balance carried forward		<u>1,118,991</u>	<u>997,361</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 10 to 17 form part of these financial statements.

# LEWIS TYLER & SONS (FENCING) LIMITED

## BALANCE SHEET

31 DECEMBER 2003

	Note	2003 £	£	2002 £	£
<b>FIXED ASSETS</b>					
Tangible assets	9		321,056		334,933
<b>CURRENT ASSETS</b>					
Stocks	10	427,815		289,606	
Debtors	11	530,048		630,024	
Cash at bank and in hand		416,771		472,084	
		<u>1,374,634</u>		<u>1,391,714</u>	
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>497,441</u>		<u>641,283</u>	
<b>NET CURRENT ASSETS</b>			<u>877,193</u>		<u>750,431</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,198,249</u>		<u>1,085,364</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	13		<u>55,256</u>		<u>64,001</u>
			<u>1,142,993</u>		<u>1,021,363</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	16		15,600		15,600
Share premium account			8,402		8,402
Profit and loss account			<u>1,118,991</u>		<u>997,361</u>
<b>SHAREHOLDERS' FUNDS</b>	17		<u>1,142,993</u>		<u>1,021,363</u>

These financial statements were approved by the directors on the 26/10/04 and are signed on their behalf by:

  
A J Tyler

The notes on pages 10 to 17 form part of these financial statements.



# LEWIS TYLER & SONS (FENCING) LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2003

	Note	2003 £	2002 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	18	166,255	391,071
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received		11,428	5,927
Interest paid		(1,894)	(1,961)
Interest element of hire purchase		(8,624)	(15,083)
<b>NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		910	(11,117)
<b>TAXATION</b>		(52,040)	(33,096)
<b>CAPITAL EXPENDITURE</b>			
Payments to acquire tangible fixed assets		(98,326)	(84,469)
Receipts from sale of fixed assets		11,999	—
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>		(86,327)	(84,469)
<b>EQUITY DIVIDENDS PAID</b>		(13,929)	(13,929)
<b>CASH INFLOW BEFORE FINANCING</b>		14,869	248,460
<b>FINANCING</b>			
(Repayment) of bank loans		(6,542)	(6,304)
Capital element of hire purchase		(19,341)	(67,394)
<b>NET CASH OUTFLOW FROM FINANCING</b>		(25,883)	(73,698)
<b>(DECREASE)/INCREASE IN CASH</b>		(11,014)	174,762

The notes on pages 10 to 17 form part of these financial statements.

# LEWIS TYLER & SONS (FENCING) LIMITED

## CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31 DECEMBER 2003

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

		2003		2002	
		£	£	£	£
(Decrease)/increase in cash in the period		(11,014)		174,762	
Net cash outflow from bank loans		6,542		6,304	
Cash outflow in respect of hire purchase		<u>19,341</u>		<u>67,394</u>	
			<u>14,869</u>		<u>248,460</u>
Change in net funds	18		14,869		248,460
Net funds at 1 January 2003	18		<u>273,341</u>		<u>24,883</u>
Net funds at 31 December 2003	18		<u>288,210</u>		<u>273,341</u>

The notes on pages 10 to 17 form part of these financial statements.

# **LEWIS TYLER & SONS (FENCING) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

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### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention.

#### **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:

Leasehold Property	-	Over the length of the lease
Plant & Machinery	-	20% Reducing Balance
Fixtures & Fittings	-	20% 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.

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

# LEWIS TYLER & SONS (FENCING) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

---

### 1. ACCOUNTING POLICIES *(continued)*

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### 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. Exchange differences are taken into account in arriving at the operating profit.

### 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	<u>3,577,989</u>	<u>3,784,223</u>

# LEWIS TYLER & SONS (FENCING) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2003 £	2002 £
Depreciation of owned fixed assets	43,997	49,632
Depreciation of assets held under hire purchase agreements	51,780	46,912
Loss on disposal of fixed assets	4,427	-
Auditors' remuneration - as auditors	10,000	10,000
Net profit on foreign currency translation	-	(23)

### 4. PARTICULARS OF EMPLOYEES

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

	2003 No	2002 No
Number of staff	32	33

The aggregate payroll costs of the above were:

	2003 £	2002 £
Wages and salaries	766,301	730,824
Social security costs	86,722	67,917
Other pension costs	6,487	6,529
	859,510	805,270

### 5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2003 £	2002 £
Emoluments receivable	214,345	201,998
Value of company pension contributions to money purchase schemes	6,487	6,529
	220,832	208,527

# LEWIS TYLER & SONS (FENCING) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 5. DIRECTORS' EMOLUMENTS *(continued)*

#### Emoluments of highest paid director:

	2003 £	2002 £
Total emoluments (excluding pension contributions)	59,620	57,420
Value of company pension contributions to money purchase schemes	6,487	6,529
	<u>66,107</u>	<u>63,949</u>

### 6. INTEREST PAYABLE AND SIMILAR CHARGES

	2003 £	2002 £
Interest payable on bank borrowing	381	826
Finance charges	8,624	15,083
Other similar charges payable	1,513	1,135
	<u>10,518</u>	<u>17,044</u>

### 7. TAXATION ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2003 £	2002 £
Current tax:		
UK Corporation tax based on the results for the year at 19% (2002 - 19.25%)	37,542	52,040
Total current tax	<u>37,542</u>	<u>52,040</u>

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

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 19% (2002 - 19.25%).

	2003 £	2002 £
Profit on ordinary activities before taxation	<u>173,101</u>	<u>270,274</u>
Profit on ordinary activities by rate of tax	32,889	52,028
Expenses not deductible for tax purposes	615	19
Capital allowances for year in excess of depreciation	4,038	(7)
Total current tax (note 7(a))	<u>37,542</u>	<u>52,040</u>

# LEWIS TYLER & SONS (FENCING) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 8. DIVIDENDS

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

	2003 £	2002 £
Proposed dividend on ordinary shares	13,929	13,929
Dividend paid on ordinary shares	—	10,790
	<u>13,929</u>	<u>24,719</u>

### 9. TANGIBLE FIXED ASSETS

	Leasehold Improve- ments £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Short Leasehold £	Total £
<b>COST</b>						
At 1 Jan 2003	108,982	592,281	22,614	173,625	265	897,767
Additions	11,470	25,875	—	60,981	—	98,326
Disposals	—	(20,615)	—	(32,291)	—	(52,906)
At 31 Dec 2003	<u>120,452</u>	<u>597,541</u>	<u>22,614</u>	<u>202,315</u>	<u>265</u>	<u>943,187</u>
<b>DEPRECIATION</b>						
At 1 Jan 2003	98,381	334,833	17,908	111,475	237	562,834
Charge for the year	10,822	54,026	942	29,974	13	95,777
On disposals	—	(7,422)	—	(29,058)	—	(36,480)
At 31 Dec 2003	<u>109,203</u>	<u>381,437</u>	<u>18,850</u>	<u>112,391</u>	<u>250</u>	<u>622,131</u>
<b>NET BOOK VALUE</b>						
At 31 Dec 2003	<u>11,249</u>	<u>216,104</u>	<u>3,764</u>	<u>89,924</u>	<u>15</u>	<u>321,056</u>
At 31 Dec 2002	<u>10,601</u>	<u>257,448</u>	<u>4,706</u>	<u>62,150</u>	<u>28</u>	<u>334,933</u>

#### Hire purchase agreements

Included within the net book value of £321,056 is £178,025 (2002 - £168,993) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £51,780 (2002 - £46,912).

### 10. STOCKS

	2003 £	2002 £
Work in progress	2,000	3,000
Finished goods	<u>425,815</u>	<u>286,606</u>
	<u>427,815</u>	<u>289,606</u>

# LEWIS TYLER & SONS (FENCING) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 11. DEBTORS

	2003 £	2002 £
Trade debtors	500,512	597,760
Other debtors	1,980	-
Prepayments and accrued income	27,556	32,264
	<u>530,048</u>	<u>630,024</u>

### 12. CREDITORS: Amounts falling due within one year

	2003 £	2002 £
Bank loans and overdrafts	27,990	76,941
Trade creditors	299,432	338,413
Corporation tax	37,542	52,040
Other taxation and social security	52,234	74,320
Hire purchase agreements	45,315	57,801
Dividends payable	13,929	13,929
Directors current accounts	10,000	11,135
Accruals and deferred income	10,999	16,704
	<u>497,441</u>	<u>641,283</u>

The company's bank loans and overdrafts are secured by way of a fixed and floating charge over the assets of the company.

### 13. CREDITORS: Amounts falling due after more than one year

	2003 £	2002 £
Bank loans and overdrafts	-	1,890
Hire purchase agreements	55,256	62,111
	<u>55,256</u>	<u>64,001</u>

### 14. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2003 £	2002 £
Amounts payable within 1 year	45,315	57,801
Amounts payable between 2 to 5 years	55,256	62,111
	<u>100,571</u>	<u>119,912</u>



# LEWIS TYLER & SONS (FENCING) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 15. RELATED PARTY TRANSACTIONS

The company was under the control of its directors throughout the current and previous year.

Included in creditors is an amount due to a director A.J. Tyler in the sum of £10,000 (2002: £11,135). Interest in the sum of £1,513 (2002: £1,135) has been charged on this loan.

### 16. SHARE CAPITAL

#### Authorised share capital:

	2003	2002
	£	£
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

#### Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>15,600</u>	<u>15,600</u>	<u>15,600</u>	<u>15,600</u>

### 17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
Profit for the financial year	135,559	218,234
Dividends	<u>(13,929)</u>	<u>(24,719)</u>
	121,630	193,515
Opening shareholders' equity funds	<u>1,021,363</u>	<u>827,848</u>
Closing shareholders' equity funds	<u>1,142,993</u>	<u>1,021,363</u>

### 18. NOTES TO THE STATEMENT OF CASH FLOWS

#### RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2003	2002
	£	£
Operating profit	172,191	281,391
Depreciation	95,777	96,544
Loss on disposal of fixed assets	4,427	-
(Increase)/decrease in stocks	<u>(138,209)</u>	81,215
Decrease/(increase) in debtors	99,976	(186,089)
(Decrease)/increase in creditors	<u>(67,907)</u>	118,010
Net cash inflow from operating activities	<u>166,255</u>	<u>391,071</u>

# LEWIS TYLER & SONS (FENCING) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 18. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

#### ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jan 2003 £	Cash flows £	At 31 Dec 2003 £
Net cash:			
Cash in hand and at bank	472,084	(55,313)	416,771
Overdrafts	(70,026)	44,299	(25,727)
	<u>402,058</u>	<u>(11,014)</u>	<u>391,044</u>
Debt:			
Debt due within 1 year	(6,915)	4,652	(2,263)
Debt due after 1 year	(1,890)	1,890	-
Hire purchase agreements	(119,912)	19,341	(100,571)
	<u>(128,717)</u>	<u>25,883</u>	<u>(102,834)</u>
Net funds	<u>273,341</u>	<u>14,869</u>	<u>288,210</u>