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Company Registration No. 2375284 (England and Wales)

**AA JOINERY LIMITED**  
**DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2005**



# AA JOINERY LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	D W Croft L M Greest J P Kennedy
<b>Secretary</b>	D W Croft
<b>Company number</b>	2375284
<b>Registered office</b>	Westgate Chambers ,8A Elm Park Road Pinner Middlesex HA5 3LA
<b>Accountants</b>	Morgan Berkeley Westgate Chambers 8a Elm Park Road, Pinner Middlesex HA5 3LA
<b>Business address</b>	383 Romford Road Forest Gate London E7 8AB
<b>Bankers</b>	National Westminster Bank Plc 72-74 High St Watford Hertfordshire WD1 2BQ

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# AA JOINERY LIMITED

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# AA JOINERY LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2005

The directors present their report and financial statements for the year ended 31 October 2005.

### Principal activities

The principal activity of the company continued to be that of joinery manufacture.

### Directors

The following directors have held office since 1 November 2004:

D W Croft  
L M Greest  
J P Kennedy

### Directors' interests

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

	Ordinary shares of £ 1 each	
	31 October 2005	1 November 2004
D W Croft	-	-
L M Greest	-	-
J P Kennedy	-	-

The directors have an indirect interest in the company by virtue of their shareholdings in the parent company, Prolink Holdings Limited.

### 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 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 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 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 W Croft

29/8/06  
.....

# AA JOINERY LIMITED

## CHARTERED CERTIFIED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF AA JOINERY LIMITED

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In accordance with the engagement letter dated 21 July 2005, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of AA Joinery Limited for the year ended 31 October 2005, set out on pages 3 to 8 from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters we have agreed to state to them in this 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 Board of Directors as a body, for our work or for this report.

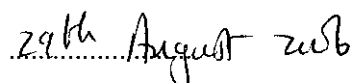
We have carried out this engagement in accordance with technical guidance issued by the Association of Chartered Certified Accountants and have complied with the ethical guidance laid down by the Association relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 October 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

  
Morgan Berkeley

Chartered Certified Accountants



Westgate Chambers  
8a Elm Park Road, Pinner  
Middlesex  
HA5 3LA

# AA JOINERY LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2005

	Notes	2005 £	2004 £
Turnover		435,471	399,631
Cost of sales		(292,764)	(264,568)
<b>Gross profit</b>		142,707	135,063
Administrative expenses		(129,669)	(131,429)
<b>Operating profit</b>	<b>2</b>	13,038	3,634
Interest payable and similar charges		-	(426)
<b>Profit on ordinary activities before taxation</b>		13,038	3,208
Tax on profit on ordinary activities	<b>3</b>	-	-
<b>Profit on ordinary activities after taxation</b>	<b>8</b>	13,038	3,208

# AA JOINERY LIMITED

## BALANCE SHEET AS AT 31 OCTOBER 2005

	Notes	2005 £	£	2004 £	£
<b>Fixed assets</b>					
Tangible assets	4		10,014		8,168
<b>Current assets</b>					
Stocks		9,380		5,720	
Debtors	5	154,653		132,585	
Cash at bank and in hand		19,498		1,058	
		<u>183,531</u>		<u>139,363</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(240,510)</u>		<u>(207,534)</u>	
<b>Net current liabilities</b>			(56,979)		(68,171)
<b>Total assets less current liabilities</b>			<u>(46,965)</u>		<u>(60,003)</u>
<b>Capital and reserves</b>					
Called up share capital	7		100		100
Profit and loss account	8		(47,065)		(60,103)
<b>Shareholders' funds</b>			<u>(46,965)</u>		<u>(60,003)</u>

In preparing these financial statements:

- (a) 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;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) 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 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 29/8/06

.....  
D W Croft  
Director

# AA JOINERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2005

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### Going concern

As at 31 October 2005, the company's liabilities exceeds its assets. The directors consider the company to be a going concern on the basis that continued support is provided by other companies in the group, suppliers and bankers. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis.

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.3 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:

Plant and machinery	25% reducing balance
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#### 1.4 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

#### 1.5 Deferred taxation

Deferred taxation 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

	2005	2004
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	2,126	2,723

### 3 Taxation

No provision has been made for corporation tax in view of tax losses available.



# AA JOINERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2005

### 4 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 November 2004	25,029
Additions	3,971
	<hr/>
At 31 October 2005	29,000
	<hr/>
<b>Depreciation</b>	
At 1 November 2004	16,860
Charge for the year	2,126
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At 31 October 2005	18,986
	<hr/>
<b>Net book value</b>	
At 31 October 2005	10,014
	<hr/>
At 31 October 2004	8,168
	<hr/>

5 Debtors	2005 £	2004 £
Trade debtors	121,393	106,323
Amounts owed by group undertakings and undertakings in which the company has a participating interest	33,260	26,262
	<hr/>	<hr/>
	154,653	132,585
	<hr/>	<hr/>

Trade debtors include amounts subject to financing arrangements of £105,809 (2004 - £113,069).

6 Creditors: amounts falling due within one year	2005 £	2004 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	142,533	116,412
Taxation and social security	24,826	15,442
Other creditors	73,151	75,680
	<hr/>	<hr/>
	240,510	207,534
	<hr/>	<hr/>

Other creditors include amounts owed to the factoring company of £72,650 (2004 - £67,539).

# AA JOINERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2005

7	Share capital	2005 £	2004 £
	<b>Authorised</b>		
	1,000 Ordinary shares of £1 each	1,000	1,000
	<b>Allotted, called up and fully paid</b>		
	100 Ordinary shares of £1 each	100	100

### 8 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 November 2004	(60,103)
Retained profit for the year	13,038
Balance at 31 October 2005	(47,065)

### 9 Contingent liabilities

The company has given cross guarantees in respect of bank borrowings of other companies in the group. At 31 October 2005 the liabilities covered by these guarantees amounted to £416,946 (2004- £465,372).

### 10 Control

Prolink Holdings Limited, a company incorporated in England and Wales is the ultimate parent company owning the entire issued share capital.

The directors of the company Mr D W Croft, Mr L M Greest and Mr J P Kennedy are the ultimate controlling parties.

# **AA JOINERY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2005**

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### **11 Related party transactions**

Prolink Holdings Limited (parent company)

Management charges payable were £45,875 (2004 - £43,087)

Net movements in intercompany balances were £22,208 (2004 - £24,166).

Balance owed to the company at the year end was £24,773 (2004 - £2,565).

Southrange Limited (fellow subsidiary)

Goods purchased were £85,063 (2004 - £85,741).

Management charges paid were £42,025 (2004 - £43,138).

Salaries recharged were £140,868 (2004 - £126,082).

Balance owed to the company at the year end was £123,124 (2004 - £92,314).

Powervale Limited (fellow subsidiary)

Services supplied were £411 (2004 - £nil).

Net movements in intercompany balances were £6,998 (2004 - £nil).

Balance due from the company at the year end was £33,260 (2004 - £26,262).

Double A Timber Limited (fellow subsidiary)

Services supplied were £855 (2004 - £nil).

Goods purchased were £87,767 (2004 - £45,791).

Balance owed to the company at the year end was £5,365 (2004 - £21,533).