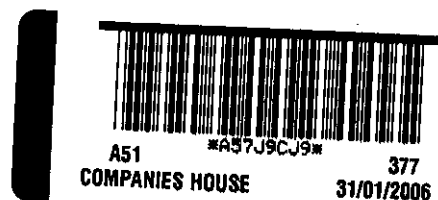


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**Dodd Group Holdings Limited**  
**Report of the Directors and**  
**Financial Statements**  
**for the Year Ended 31 March 2005**



**Dodd Group Holdings Limited**

**Contents of the Financial Statements  
for the Year Ended 31 March 2005**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Report of the Independent Auditors</b>	<b>4</b>
<b>Consolidated Profit and Loss Account</b>	<b>5</b>
<b>Consolidated Balance Sheet</b>	<b>6</b>
<b>Company Balance Sheet</b>	<b>7</b>
<b>Consolidated Cash Flow Statement</b>	<b>8</b>
<b>Notes to the Consolidated Cash Flow Statement</b>	<b>9</b>
<b>Notes to the Financial Statements</b>	<b>11</b>
<b>Consolidated Trading and Profit and Loss Account</b>	<b>21</b>

**Dodd Group Holdings Limited**  
**Company Information**  
**for the Year Ended 31 March 2005**

<b>DIRECTORS:</b>	T M Dodd Mrs S M Dodd T R Dodd A Bigley
<b>SECRETARY:</b>	T R Dodd
<b>REGISTERED OFFICE:</b>	Stafford Park 13 Telford Shropshire TF3 3AZ
<b>REGISTERED NUMBER:</b>	02586022
<b>AUDITORS:</b>	Turner Peachey Chartered Accountants Registered Auditors 9 - 10 St. Mary's Place Shrewsbury Shropshire SY1 1DZ

## **Dodd Group Holdings Limited**

### **Report of the Directors for the Year Ended 31 March 2005**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2005.

#### **PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of electrical, heating and ventilation engineers and contractors.

#### **REVIEW OF BUSINESS**

The results for the year and financial position of the company and the group are as shown in the annexed financial statements.

#### **DIVIDENDS**

During the year dividends were paid totalling £2.71429 per share. The total distribution of dividends for the year ended 31 March 2005 was £500,000 (2004 £500,000). No final dividend is proposed.

#### **DIRECTORS**

The directors during the year under review were:

T M Dodd	
Mrs S M Dodd	
T R Dodd	
A Bigley	- appointed 23.4.04

The beneficial interests of the directors holding office on 31 March 2005 in the issued share capital of the company were as follows:

	31.3.05	1.4.04 or date of appointment if later
<b>Ordinary 10p shares</b>		
T M Dodd	-	-
Mrs S M Dodd	-	-
T R Dodd	38,150	38,150
A Bigley	9,210	-

#### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year the company made charitable donations of £200.

#### **INTEREST IN SHARES**

A non-audit partner of Turner Peachey is a trustee of a Dodd family trust which holds 43,920 shares in Dodd Group Holdings Limited. The trustee has no beneficial interest in the shares.

#### **EMPLOYMENT OF DISABLED PERSONS AND EMPLOYEE INVOLVEMENT**

The company and the group are committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retaining of employees who become disabled whilst employed by the company. Particular attention is given to the training, career development and promotion of disabled employees with a view to encouraging them to play an active role in the development of the company and the group.

Members of the management team regularly visit branches and discuss with members of staff matters of current interest and concern to the business.

**Dodd Group Holdings Limited**

**Report of the Directors  
for the Year Ended 31 March 2005**

**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 the group and of the profit or loss of the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS**

The auditors, Turner Peachey, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**



.....  
T R Dodd - Director

Date: 30-01-2006  
.....

**Report of the Independent Auditors to the Members of  
Dodd Group Holdings Limited**

We have audited the financial statements of Dodd Group Holdings Limited for the year ended 31 March 2005 on pages five to twenty. 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 so that we might state to the company's members 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 members 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 on page three the company's directors are responsible for the preparation of 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 Report of the Directors 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 Report of the Directors 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 affairs of the company and the group as at 31 March 2005 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Turner Peachey  
Chartered Accountants  
Registered Auditors  
9 - 10 St. Mary's Place  
Shrewsbury  
Shropshire  
SY1 1DZ



Date: ..... 30/1/06 .....

**Dodd Group Holdings Limited**

**Consolidated Profit and Loss Account  
for the Year Ended 31 March 2005**

	Notes	31.3.05 £'000	31.3.04 £'000
<b>TURNOVER</b>		62,069	51,962
Cost of sales		<u>47,172</u>	<u>38,170</u>
<b>GROSS PROFIT</b>		14,897	13,792
Administrative expenses		<u>12,967</u>	<u>11,239</u>
		1,930	2,553
Other operating income		<u>1,072</u>	<u>770</u>
<b>OPERATING PROFIT</b>	3	3,002	3,323
Interest receivable and similar income		<u>518</u>	<u>342</u>
		3,520	3,665
Interest payable and similar charges	4	<u>25</u>	<u>17</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		3,495	3,648
Tax on profit on ordinary activities	5	<u>1,026</u>	<u>1,088</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		2,469	2,560
Dividends	7	<u>500</u>	<u>500</u>
<b>RETAINED PROFIT FOR THE YEAR FOR THE GROUP</b>		<u>1,969</u>	<u>2,060</u>

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**


The group has no recognised gains or losses other than the profits for the current and previous years.

**Dodd Group Holdings Limited**

**Consolidated Balance Sheet  
31 March 2005**

	Notes	31.3.05 £'000	£'000	31.3.04 £'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	9		3,448		3,525
Investments	10		-		-
			3,448		3,525
<b>CURRENT ASSETS</b>					
Stocks	11	2,435		2,987	
Debtors	12	10,363		9,147	
Cash at bank and in hand		<u>11,154</u>		<u>10,323</u>	
		23,952		22,457	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>13,676</u>		<u>14,305</u>	
<b>NET CURRENT ASSETS</b>			<u>10,276</u>		<u>8,152</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			13,724		11,677
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	15		<u>14</u>		<u>16</u>
			<u>13,710</u>		<u>11,661</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		18		18
Share premium	17		79		-
Revaluation reserve	17		113		113
Profit and loss account	17		<u>13,500</u>		<u>11,530</u>
<b>SHAREHOLDERS' FUNDS</b>	19		<u>13,710</u>		<u>11,661</u>

**ON BEHALF OF THE BOARD:**

  
.....  
T R Dodd - Director

Approved by the Board on 30-01-2006

The notes form part of these financial statements




**Dodd Group Holdings Limited**

**Company Balance Sheet  
31 March 2005**

	Notes	31.3.05 £'000	£'000	31.3.04 £'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	9		2,572		2,664
Investments	10		<u>18</u>		<u>18</u>
			2,590		2,682
<b>CURRENT ASSETS</b>					
Debtors	12	40		138	
Cash at bank		<u>1,741</u>		<u>952</u>	
		1,781		1,090	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>894</u>		<u>655</u>	
<b>NET CURRENT ASSETS</b>			<u>887</u>		<u>435</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			3,477		3,117
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	15		<u>14</u>		<u>16</u>
			<u>3,463</u>		<u>3,101</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		18		18
Share premium	17		79		-
Revaluation reserve	17		113		113
Profit and loss account	17		<u>3,253</u>		<u>2,970</u>
<b>SHAREHOLDERS' FUNDS</b>	19		<u>3,463</u>		<u>3,101</u>

**ON BEHALF OF THE BOARD:**

  
 .....  
 Director

Approved by the Board on 30-01-2006

The notes form part of these financial statements

**Dodd Group Holdings Limited**

**Cash Flow Statement  
for the Year Ended 31 March 2005**

	Notes	31.3.05 £'000	£'000	31.3.04 £'000	£'000
<b>Net cash inflow from operating activities</b>	1		1,959		5,190
<b>Returns on investments and servicing of finance</b>	2		493		325
<b>Taxation</b>			(1,053)		(1,169)
<b>Capital expenditure</b>	2		(371)		(1,134)
<b>Equity dividends paid</b>			<u>(500)</u>		<u>(500)</u>
			528		2,712
<b>Financing</b>	2		<u>301</u>		<u>33</u>
<b>Increase in cash in the period</b>			<u>829</u>		<u>2,745</u>
<hr/>					
<b>Reconciliation of net cash flow to movement in net funds</b>	3				
Increase in cash in the period		831		2,745	
Cash outflow from decrease in debt and lease financing		<u>49</u>		<u>7</u>	
Change in net funds resulting from cash flows			<u>880</u>		<u>2,752</u>
<b>Movement in net funds in the period</b>			880		2,752
<b>Net funds at 1 April</b>			<u>10,047</u>		<u>7,295</u>
<b>Net funds at 31 March</b>			<u>10,927</u>		<u>10,047</u>

The notes form part of these financial statements

**Dodd Group Holdings Limited**

**Notes to the Cash Flow Statement  
for the Year Ended 31 March 2005**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.3.05 £'000	31.3.04 £'000
Operating profit	3,002	3,323
Depreciation charges	491	432
Profit on disposal of fixed assets	(45)	(6)
Decrease/(Increase) in stocks	552	(758)
Increase in debtors	(1,216)	(1,070)
(Decrease)/Increase in creditors	<u>(825)</u>	<u>3,269</u>
<b>Net cash inflow from operating activities</b>	<b><u>1,959</u></b>	<b><u>5,190</u></b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31.3.05 £'000	31.3.04 £'000
<b>Returns on investments and servicing of finance</b>		
Interest received	518	342
Interest paid	(9)	-
Interest element of hire purchase payments	<u>(16)</u>	<u>(17)</u>
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b><u>493</u></b>	<b><u>325</u></b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(596)	(1,178)
Sale of tangible fixed assets	<u>225</u>	<u>44</u>
<b>Net cash outflow for capital expenditure</b>	<b><u>(371)</u></b>	<b><u>(1,134)</u></b>
<b>Financing</b>		
Capital repayments in year	(49)	(7)
Amount introduced by directors	271	40
Share issue	<u>79</u>	<u>-</u>
<b>Net cash inflow from financing</b>	<b><u>301</u></b>	<b><u>33</u></b>

**Dodd Group Holdings Limited**

**Notes to the Cash Flow Statement  
for the Year Ended 31 March 2005**

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/4/04 £'000	Cash flow £'000	At 31/3/05 £'000
Net cash:			
Cash at bank and in hand	<u>10,323</u>	<u>831</u>	<u>11,154</u>
	<u>10,323</u>	<u>831</u>	<u>11,154</u>
Debt:			
Hire purchase	<u>(276)</u>	<u>49</u>	<u>(227)</u>
	<u>(276)</u>	<u>49</u>	<u>(227)</u>
Total	<u>10,047</u>	<u>880</u>	<u>10,927</u>

The notes form part of these financial statements

**Dodd Group Holdings Limited**

**Notes to the Financial Statements  
for the Year Ended 31 March 2005**

**1. ACCOUNTING POLICIES**

**Accounting convention**

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

**Turnover**

Turnover represents invoiced sales of goods and services, excluding value added tax, except in respect of long term contracting activities. For long term contracting activities, turnover represents the value of work carried out during the year, including amounts not yet invoiced. The amount by which turnover exceeds progress payments received and receivable is classified "Amounts recoverable on contracts" and is separately disclosed in debtors. Progress payments received in excess of amounts matched with turnover are classified as "Payments received on account" and are disclosed in creditors.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 25% on cost
Motor vehicles	- 25% on cost
Office equipment	- 50% on cost and 25% on reducing balance

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Long term contract balances are stated at net cost less foreseeable losses less any applicable payments on account. The amount recorded as turnover in respect of long term contracts is ascertained by reference to the value of the work carried out to date. Attributable profit is recognised as the difference between recorded turnover and related costs.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed 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 transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

**Pensions**

The group operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**Dodd Group Holdings Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2005**

**2. STAFF COSTS**

	31.3.05	31.3.04
	£'000	£'000
Wages and salaries	16,952	14,885
Social security costs	1,802	1,565
Other pension costs	<u>636</u>	<u>594</u>
	<u>19,390</u>	<u>17,044</u>

The average monthly number of employees during the year was as follows:

	31.3.05	31.3.04
Management & administration	202	193
Productive operatives	<u>427</u>	<u>403</u>
	<u>629</u>	<u>596</u>

**3. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	31.3.05	31.3.04
	£'000	£'000
Other operating leases	284	265
Depreciation - owned assets	350	300
Depreciation - assets on hire purchase contracts	141	133
Profit on disposal of fixed assets	(45)	(6)
Auditors' remuneration	46	43
Auditors' remuneration for non audit work	24	30
Foreign exchange differences	<u>(228)</u>	<u>(75)</u>

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	31.3.05	31.3.04
	£'000	£'000
Interest paid	9	-
Hire purchase	<u>16</u>	<u>17</u>
	<u>25</u>	<u>17</u>

**Dodd Group Holdings Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2005**

**5. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.05 £'000	31.3.04 £'000
Current tax:		
UK corporation tax	1,028	1,090
Deferred taxation - origination and reversal of timing differences	<u>(2)</u>	<u>(2)</u>
Tax on profit on ordinary activities	<u>1,026</u>	<u>1,088</u>

**Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.05 £'000	31.3.04 £'000
Profit on ordinary activities before tax	<u>3,497</u>	<u>3,648</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2004 - 30%)	1,049	1,094
Effects of:		
Expenses not deductible for tax purposes	17	18
Depreciation in excess of capital allowances respect of previous periods	6	(17)
Marginal relief	(31)	(4)
Profit on disposal not taxable	<u>(14)</u>	<u>(2)</u>
Current tax charge	<u>1,027</u>	<u>1,089</u>

**Factors that may affect future tax charges**

No provision has been made for deferred taxation on the sale of properties where potentially taxable gains have been rolled over into replacement assets. Such tax would only become payable if the property were sold without it being possible to claim rollover relief. The total amount unprovided for is £9,292. At present, it is not envisaged that any tax will become payable in the foreseeable future.

**6. PROFIT OF PARENT COMPANY**

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £784,450 (2004 - £656,060).

**7. DIVIDENDS**

	31.3.05 £'000	31.3.04 £'000
Equity shares:		
Interim	<u>500</u>	<u>500</u>

**Dodd Group Holdings Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2005**

**8. PENSION COSTS**

The company operates a group personal pension scheme. It is a defined contribution scheme and contributions are charged to the profit and loss account as they accrue. The charge for the year was £125,468 for the company and £635,790 for the group.

**9. TANGIBLE FIXED ASSETS**

**Group**

	Freehold property £'000	Long leasehold £'000	Plant and machinery £'000
<b>COST</b>			
At 1 April 2004	1,452	1,281	159
Disposals	-	(50)	-
At 31 March 2005	<u>1,452</u>	<u>1,231</u>	<u>159</u>
<b>DEPRECIATION</b>			
At 1 April 2004	65	57	154
Charge for year	26	7	3
Eliminated on disposal	-	(7)	-
At 31 March 2005	<u>91</u>	<u>57</u>	<u>157</u>
<b>NET BOOK VALUE</b>			
At 31 March 2005	<u>1,361</u>	<u>1,174</u>	<u>2</u>
At 31 March 2004	<u>1,387</u>	<u>1,224</u>	<u>5</u>
	Motor vehicles £'000	Office equipment £'000	Totals £'000
<b>COST</b>			
At 1 April 2004	2,512	472	5,876
Additions	589	7	596
Disposals	(396)	-	(446)
At 31 March 2005	<u>2,705</u>	<u>479</u>	<u>6,026</u>
<b>DEPRECIATION</b>			
At 1 April 2004	1,652	425	2,353
Charge for year	442	13	491
Eliminated on disposal	(259)	-	(266)
At 31 March 2005	<u>1,835</u>	<u>438</u>	<u>2,578</u>
<b>NET BOOK VALUE</b>			
At 31 March 2005	<u>870</u>	<u>41</u>	<u>3,448</u>
At 31 March 2004	<u>860</u>	<u>47</u>	<u>3,523</u>



**Dodd Group Holdings Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2005**

**9. TANGIBLE FIXED ASSETS - continued**

**Group**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £'000
<b>COST</b>	
At 1 April 2004	564
Additions	466
Transfer to ownership	<u>(446)</u>
At 31 March 2005	<u>584</u>
<b>DEPRECIATION</b>	
At 1 April 2004	177
Charge for year	141
Transfer to ownership	<u>(148)</u>
At 31 March 2005	<u>170</u>
<b>NET BOOK VALUE</b>	
At 31 March 2005	<u>414</u>
At 31 March 2004	<u>387</u>

**Company**

	Freehold property £'000	Long leasehold £'000	Motor vehicles £'000	Totals £'000
<b>COST</b>				
At 1 April 2004	1,452	1,281	82	2,815
Disposals	<u>-</u>	<u>(50)</u>	<u>(12)</u>	<u>(62)</u>
At 31 March 2005	<u>1,452</u>	<u>1,231</u>	<u>70</u>	<u>2,753</u>
<b>DEPRECIATION</b>				
At 1 April 2004	65	57	29	151
Charge for year	26	6	18	50
Eliminated on disposal	<u>-</u>	<u>(7)</u>	<u>(13)</u>	<u>(20)</u>
At 31 March 2005	<u>91</u>	<u>56</u>	<u>34</u>	<u>181</u>
<b>NET BOOK VALUE</b>				
At 31 March 2005	<u>1,361</u>	<u>1,175</u>	<u>36</u>	<u>2,572</u>
At 31 March 2004	<u>1,387</u>	<u>1,224</u>	<u>53</u>	<u>2,664</u>

Included in land and buildings is freehold land valued at £141,000 (2004 - £141,000) which is not depreciated.

**Dodd Group Holdings Limited**  
**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2005**

**10. FIXED ASSET INVESTMENTS**

**Company**

	Unlisted investments £'000
<b>COST</b>	
At 1 April 2004	
and 31 March 2005	<u>18</u>
<b>NET BOOK VALUE</b>	
At 31 March 2005	<u>18</u>
At 31 March 2004	<u>18</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

**Subsidiaries**

**Dodd Group Limited**

Nature of business: Electrical, heating and ventilation contractors

	%
Class of shares:	holding
Ordinary	100.00

The company controls the following subsidiaries by virtue of its holding in Dodd Group Limited:

**Dodd Group (Midlands) Limited**

Nature of business: Electrical, heating and ventilation contractors

	%
Class of shares:	holding
Ordinary	100.00

**Dodd Group (Eastern) Limited**

Nature of business: Electrical, heating and ventilation contractors

	%
Class of shares:	holding
Ordinary	100.00

**Dodd Group (South) Limited**

Nature of business: Electrical, heating and ventilation contractors

	%
Class of shares:	holding
Ordinary	100.00

**Dodd Environmental Services Limited**

Nature of business: Heating and ventilation contractors

	%
Class of shares:	holding
Ordinary	100.00

**Technology Installation Services Limited**

Nature of business: I.T. Network Systems designers & installers

	%
Class of shares:	holding
Ordinary	100.00

All of the above subsidiaries are included in the consolidated financial statements.

**Dodd Group Holdings Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2005**

**11. STOCKS**

	<b>Group</b>	
	31.3.05	31.3.04
	£'000	£'000
Raw materials	49	38
Work-in-progress	6,126	5,243
Payments on account	<u>(3,740)</u>	<u>(2,294)</u>
	<u>2,435</u>	<u>2,987</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	31.3.05	31.3.04	31.3.05	31.3.04
	£'000	£'000	£'000	£'000
Trade debtors	9,213	8,554	39	9
Amounts owed by group undertakings	-	-	1	110
Amounts recoverable on contracts	683	261	-	-
Other debtors	267	139	-	19
Prepayments and accrued income	<u>200</u>	<u>193</u>	<u>-</u>	<u>-</u>
	<u>10,363</u>	<u>9,147</u>	<u>40</u>	<u>138</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	31.3.05	31.3.04	31.3.05	31.3.04
	£'000	£'000	£'000	£'000
Hire purchase contracts (see note 14)	227	276	-	-
Payments on account	379	1,319	-	-
Trade creditors	9,709	10,202	5	4
Amounts owed to group undertakings	-	-	737	555
Tax	466	491	-	-
Social security and other taxes	1,303	803	46	33
Other creditors	403	360	24	31
Directors loan account	712	441	82	32
Accrued expenses	<u>477</u>	<u>413</u>	<u>-</u>	<u>-</u>
	<u>13,676</u>	<u>14,305</u>	<u>894</u>	<u>655</u>

**Dodd Group Holdings Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2005**

**14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**

**Group**

	Hire purchase contracts	
	31.3.05	31.3.04
	£'000	£'000
Gross obligations repayable:		
Within one year	<u>236</u>	<u>285</u>
Finance charges repayable:		
Within one year	<u>9</u>	<u>9</u>
Net obligations repayable:		
Within one year	<u><u>227</u></u>	<u><u>276</u></u>

The following operating lease payments are committed to be paid within one year:

**Group**

	Other operating leases	
	31.3.05	31.3.04
	£'000	£'000
Expiring:		
Within one year	23	22
Between one and five years	<u>281</u>	<u>250</u>
	<u><u>304</u></u>	<u><u>272</u></u>

**15. PROVISIONS FOR LIABILITIES AND CHARGES**

	Group		Company	
	31.3.05	31.3.04	31.3.05	31.3.04
	£'000	£'000	£'000	£'000
Deferred tax	<u>14</u>	<u>16</u>	<u>14</u>	<u>16</u>
<b>Group</b>				
				Deferred tax
				£'000
Balance at 1 April 2004				16
Reversal of timing differences				<u>(2)</u>
Balance at 31 March 2005				<u><u>14</u></u>

**Dodd Group Holdings Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2005**

**15. PROVISIONS FOR LIABILITIES AND CHARGES - continued**

**Company**

	Deferred tax £'000
Balance at 1 April 2004	16
Reversal of timing differences	<u>(2)</u>
Balance at 31 March 2005	<u>14</u>

**16. CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal	31.3.05	31.3.04
		value:	£'000	£'000
500,000	Ordinary	10p	<u>50</u>	<u>50</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal	31.3.05	31.3.04
		value:	£'000	£'000
175,000	Ordinary	10p	<u>18</u>	<u>18</u>

**17. RESERVES**

**Group**

	Profit and loss account £'000	Share premium £'000	Revaluation reserve £'000	Totals £'000
At 1 April 2004	11,531	-	113	11,644
Retained profit for the year	1,969	-	-	1,969
Cash share issue	<u>-</u>	<u>79</u>	<u>-</u>	<u>79</u>
At 31 March 2005	<u>13,500</u>	<u>79</u>	<u>113</u>	<u>13,692</u>

**Company**

	Profit and loss account £'000	Share premium £'000	Revaluation reserve £'000	Totals £'000
At 1 April 2004	2,970	-	113	3,083
Retained profit for the year	283	-	-	283
Cash share issue	<u>-</u>	<u>79</u>	<u>-</u>	<u>79</u>
At 31 March 2005	<u>3,253</u>	<u>79</u>	<u>113</u>	<u>3,445</u>

**18. RELATED PARTY DISCLOSURES**

The ultimate controlling party is Mr. T. R. Dodd.

**Dodd Group Holdings Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2005**

**19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

**Group**

	31.3.05	31.3.04
	£'000	£'000
Profit for the financial year	2,469	2,560
Dividends	<u>(500)</u>	<u>(500)</u>
	1,969	2,060
New share capital subscribed	<u>80</u>	<u>-</u>
<b>Net addition to shareholders' funds</b>	2,049	2,060
Opening shareholders' funds	<u>11,661</u>	<u>9,601</u>
<b>Closing shareholders' funds</b>	<u>13,710</u>	<u>11,661</u>
Equity interests	<u>13,710</u>	<u>11,661</u>

**Company**

	31.3.05	31.3.04
	£'000	£'000
Profit for the financial year	782	656
Dividends	<u>(500)</u>	<u>(500)</u>
	282	156
New share capital subscribed	<u>80</u>	<u>-</u>
<b>Net addition to shareholders' funds</b>	362	156
Opening shareholders' funds	<u>3,101</u>	<u>2,945</u>
<b>Closing shareholders' funds</b>	<u>3,463</u>	<u>3,101</u>
Equity interests	<u>3,463</u>	<u>3,101</u>

**20. DIRECTORS EMOLUMENTS**

	31.3.05	31.3.04
	£'000	£'000
Emoluments	1,120	847
Company contributions to money purchase schemes	488	466
The remuneration of the highest paid director included above was:		
Emoluments	753	573
Company contributions to money purchase schemes	456	440

During the year 3 directors (2004 - 3), were accruing benefits under money purchase schemes.