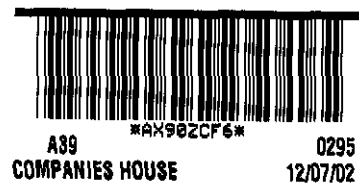


**Graydon Dawson Contracts Limited**

**Abbreviated Accounts**

**For the year ended  
30 September 2001**

Registered number 3104421



**Graydon Dawson Contracts Limited**

**Report of the Independent Auditors to  
Graydon Dawson Contracts Limited  
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages two to five, together with the full financial statements of the company for the year ended 30 September 2001 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of audit opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages two to five are properly prepared in accordance with those provisions.

*TTR Barnes.*

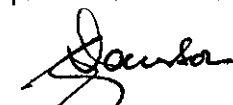
TTR Barnes  
Chartered Accountants  
and Registered Auditor  
3-4 Grange Terrace  
Stockton Road  
Sunderland  
SR2 7DG

Dated: 21/10/02

**Graydon Dawson Contracts Limited**  
**Abbreviated Balance Sheet**  
**as at 30 September 2001**

	Notes	2001 £	2000 £
<b>Fixed assets</b>			
Tangible assets	2	89,577	108,892
<b>Current assets</b>			
Stocks		411,363	315,094
Debtors		62,988	130,782
Cash at bank and in hand		246,897	156,529
		<u>721,248</u>	<u>602,405</u>
<b>Creditors: amounts falling due within one year</b>		<u>(556,707)</u>	<u>(497,469)</u>
<b>Net current assets</b>		<u>164,541</u>	<u>104,936</u>
<b>Total assets less current liabilities</b>		<u>254,118</u>	<u>213,828</u>
<b>Creditors: amounts falling due after more than one year</b>		(17,990)	(11,641)
<b>Net assets</b>		<u>236,128</u>	<u>202,187</u>
<b>Capital and reserves</b>			
Called up share capital	3	100	100
Profit and loss account		236,028	202,087
<b>Shareholders' funds</b>		<u>236,128</u>	<u>202,187</u>

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



G Dawson  
Director

Approved by the board on 1/7/02

The notes form part of these financial statements

**Graydon Dawson Contracts Limited**  
**Notes to the Abbreviated Accounts**  
**for the year ended 30 September 2001**

**1 Accounting policies**

***Accounting convention***

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 200).

***Turnover***

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

***Depreciation***

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and machinery	25% straight line
Fixtures and fittings	25% straight line
Motor vehicles	25% straight line

***Stocks***

Stock is valued at the lower of cost and net realisable value.

***Long term contracts***

Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of work carried out at the year end, by recording turnover and related costs as the contract progresses. Turnover is calculated as that proportion of total contract value which relates to costs incurred to date compared to total costs expected for the contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

***Contributions to Pension Funds***

The pension costs charged against profits are based on actuarial methods and assumptions designed to spread the anticipated pension costs over the service lives of the employees in the scheme, so as to ensure that the regular pension cost represents a substantially level percentage of the current and expected future pensionable payroll. Variations from regular cost are spread over the remaining lives of current employees in the scheme.

***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 a liability to taxation is unlikely to crystallise.

**Graydon Dawson Contracts Limited**  
**Notes to the Abbreviated Accounts**  
**for the year ended 30 September 2001**

***Leasing and hire purchase commitments***

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

**2 Tangible fixed assets**

	<b>Plant and machinery</b>	<b>Fixtures and fittings</b>	<b>Motor vehicles</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 October 2000	195,550	21,277	94,169	310,996
Additions	-	-	52,075	52,075
Disposals	-	-	(40,559)	(40,559)
At 30 September 2001	<u>195,550</u>	<u>21,277</u>	<u>105,685</u>	<u>322,512</u>
<b>Depreciation</b>				
At 1 October 2000	139,866	16,449	45,789	202,104
Charge for the year	36,265	2,064	23,947	62,276
On disposals	-	-	(31,445)	(31,445)
At 30 September 2001	<u>176,131</u>	<u>18,513</u>	<u>38,291</u>	<u>232,935</u>
<b>Net book value</b>				
At 30 September 2001	<u>19,419</u>	<u>2,764</u>	<u>67,394</u>	<u>89,577</u>
At 30 September 2000	<u>55,684</u>	<u>4,828</u>	<u>48,380</u>	<u>108,892</u>

**3 Share capital**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Authorised:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	<b>2001</b>	<b>2000</b>
	<b>No</b>	<b>No</b>
	<b>£</b>	<b>£</b>
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**Graydon Dawson Contracts Limited**  
**Notes to the Abbreviated Accounts**  
**for the year ended 30 September 2001**

**4 Related party disclosures**

The company sub-contracts, on normal commercial terms, with Graydon Dawson Construction Limited - a company controlled by the directors of Graydon Dawson Contracts Limited. The value of invoices received during the year ended 30 September 2001 was £2,458,650 and the balance outstanding at the year end was £NIL.

Inter-company invoices were also raised for hire of plant and equipment and received for management charges. The gross value of invoices raised amounted to £89,480 whilst the gross value of invoices received was £227,141. A balance of £89,538 was due to Graydon Dawson Construction Ltd at the year end.

The company purchased a motor vehicle from Graydon Dawson Construction Limited to the value of £8,700.

**5 Control**

The company was under the control of Mr G. Dawson, a director, throughout the current and previous year.