

A.B. BUILDERS LTD. COMPANY NO: 4283498
DIRECTORS' REPORT FOR THE YEAR
ENDED 31ST JULY 2003

The directors present their report and the financial statements for the year ended 31st July 2003.

PRINCIPAL ACTIVITY

The company's principal activity is that of builders. Trading commenced 1st October 2001.

DIRECTORS

The directors at 31st July 2003 and their interests in the share capital of the company were as follows:

	<i>At 31st July 2003</i>	<i>At 31st July 2002</i>
	<i>£1 Ordinary Shares</i>	
B. K. Loakes	50	50
A. K. Loakes	50	50

Both directors retire, and being eligible offer themselves for re-election.

SMALL COMPANY RULES

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). It was approved by the board on 9th January 2004 and signed on its behalf.

A. K. Loakes
Director

AK Loakes



**A.B. BUILDERS LTD.
DIRECTORS' RESPONSIBILITIES**

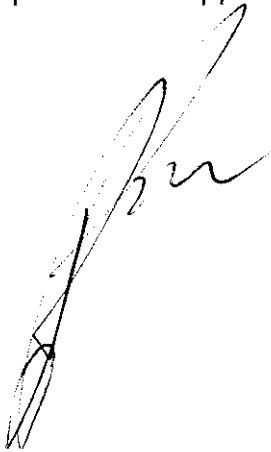
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to;

- 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 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.

**ACCOUNTANTS' REPORT ON THE UNAUDITED
ACCOUNTS TO THE DIRECTORS OF
A.B. BUILDERS LTD.**

As described on Page 2, you are responsible for the preparation of the accounts for the year ended 31st July 2003 set out on pages 4 to 10, and you consider that the company is exempt from an audit and a report under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



J. R. Brown A.C.A.
CHARTERED ACCOUNTANT
Director

J. R. Brown (Accountants) Ltd.
Rose Cottage,
3 Pasture Lane,
Gaddesby,
Leicester
LE7 4XB

9th January 2004

**A.B. BUILDERS LTD.
PROFIT AND LOSS ACCOUNT FOR THE YEAR
ENDED 31ST JULY 2003**

		<i>Year to 31.7.03</i>	<i>7.9.01 to 31.7.02</i>
	<i>Notes</i>	£	£
Turnover	1,2	131376	78405
Cost of Sales		(51389)	(23845)
Gross Profit		<u>79987</u>	<u>54560</u>
Administrative Expenses		<u>(23421)</u>	<u>(21878)</u>
Profit on Ordinary Activities before Taxation		56566	32682
Taxation on Profit on Ordinary Activities	4	<u>(10755)</u>	<u>(5971)</u>
Profit on Ordinary Activities after Taxation		45811	26711
Dividends on Equity Shares	5	<u>(36000)</u>	<u>(26658)</u>
Retained Profit for the Year		9811	53
Retained Profit Brought Forward		<u>53</u>	<u>-</u>
Retained Profit Carried Forward		<u>9864</u>	<u>53</u>

The notes on pages 7 to 10 form part of these financial statements.

A.B. BUILDERS LTD. COMPANY NO: 4283498
BALANCE SHEET - 31ST JULY 2003

	Note	2003		2002	
		£	£	£	£
Fixed Assets - Tangible	6		2206		2758
Intangible (Goodwill)			4100		4100
			-----		-----
			6306		6858
<i>Current Assets</i>					
Stock and Work in Progress		5210		3980	
Trade Debtors	7	-		-	
Cash at Bank		20037		3178	
Cash in Hand		-		79	
			-----		-----
			25247		7237
<i>Creditors: Amount falling due within 12 months</i>	8	(21589)		(13942)	
			-----		-----
<i>Net Current Assets (Liabilities)</i>			3658		(6705)
Deferred Taxation			-		-
			-----		-----
Net Assets			9964		153
			-----		-----

as represented by

Capital and Reserves

		£	£
Called Up Share Capital	10	100	100
Profit and Loss Account		9864	53
		-----	-----
Shareholders Funds		9964	153
		-----	-----

A.B. BUILDERS LTD.
BALANCE SHEET AS AT 31ST JULY 2003 (CONTINUED)

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) of the Companies Act 1985. Members have not required the company, under Section 249(B)(2) of the Companies Act 1985, to obtain an audit for the year ended 31st July 2003. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31st July 2003 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 requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), were approved by the board on 9th January 2004 and signed on its behalf.

B. K. Loakes

Director

A handwritten signature in dark ink, appearing to read 'B K Loakes', written over the printed name and title.

The notes on pages 7 to 10 form part of these financial statements.

A.B. BUILDERS LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST JULY 2003

1. Accounting Policies

a) Basis of Preparation of Financial Statements

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

b) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is calculated to write off the cost of fixed assets over their expected useful lives at the following rates:

Plant and Equipment	20% per annum of Net Book Value
Office Equipment	15% per annum of Net Book Value
Motor Vehicles	25% per annum of Net Book Value

c) Deferred Taxation

Deferred taxation is provided at current rates on the potential future taxation liability of the company as a result of the deferment of corporation tax liabilities due to the timing differences between the accounting and taxation treatment of certain items, except where it is immaterial and the company expects to continue to reinvest in Fixed Assets at the current rate.

d) Repairs and Renewals

Expenditure on repairs and renewals is written off in the year in which it is incurred.

e) Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value.

f) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

A.B. BUILDERS LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST JULY 2003 (CONTINUED)

2. Turnover

In the period to 31st July 2002 and the year to 31st July 2003, all the company's turnover was to markets inside the United Kingdom.

3. Operating Profit

	2003	2002
	£	£
The operating profit is stated after charging:		
Depreciation of tangible fixed assets	637	646
Accountants' remuneration	1910	800
Directors' emoluments	13178	11592
Pension costs	-	-

4. Taxation

	2003	2002
	£	£
UK Current Year Taxation		
UK Corporation Tax @ 0% rising to 19%	10755	5971

5. Dividends

	2003	2002
	£	£
Interim dividends on Ordinary Share - Paid	36000	26658

6. Tangible Fixed Assets

	<i>Motor Vehicles</i>	<i>Plant & Equipment</i>	<i>Total</i>
	£	£	£
Cost – At 1.8.02	2650	754	3404
Additions	-	85	85
Disposals	-	-	-
	-----	-----	-----
As at 31.7.03	2650	839	3489
	-----	-----	-----
Depreciation – At 1.8.02	552	94	646
Charge for the Year	525	112	637
On Disposals	-	-	-
	-----	-----	-----
As at 31.7.03	1077	206	1283
	-----	-----	-----
Net Book Value			
As at 31.7.03	1573	633	2206
	=====	====	=====
As at 31.7.02	2098	660	2758
	=====	====	=====

A.B. BUILDERS LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST JULY 2003 (CONTINUED)

7.	Debtors		
		2003	2002
	Due after more than one year	£	£
	Other Debtors	-	-
	Due within one year		
	Trade Debtors	-	-
	Other Debtors	-	-
		----	----
		-	-
		----	----
8.	Creditors: amounts falling due within one year	2003	2002
		£	£
	Trade Creditors	-	956
	Other Creditors	1000	800
	PAYE and VAT	4296	2082
	Directors Loan Account	5553	4133
	Corporation Tax	10740	5971
		-----	-----
		21589	13942
		-----	-----
9.	Creditors: amounts falling due after more than one year		
	There were none.		
10.	Share Capital		
		2003	2002
	<i>Authorised</i>		
	Ordinary Shares of £1 each	1000	1000
	<i>Allotted, Called Up and Fully Paid</i>		
	Ordinary Shares of £1 each	100	100
11.	Contingent Liabilities		
	There were none.		

A.B. BUILDERS LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31ST JULY 2003 (CONTINUED)

12. Capital Commitments

There were none.

13. Other Commitments

There were none.

14. Transactions with Director

The assets of the Directors' previous business were introduced into the company.

15. Related Parties

There were no other transactions other than that noted under note 14.