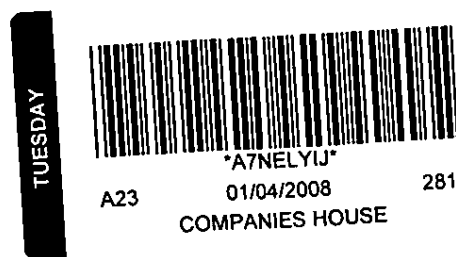


BIRCH CONSTRUCTION LIMITED

REPORT AND ACCOUNTS

YEAR ENDED 31 DECEMBER 2007

Company Number 4609645



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FOR DIRECTOR'S USE ONLY

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BIRCH CONSTRUCTION LIMITED

DIRECTOR'S REPORT

The Director presents his report for the year ended 31 December 2007

PRINCIPAL ACTIVITY

The Company's principal activity is Building Contracting.

RESULTS AND DIVIDENDS

The profit for the year after taxation was **£46,882** (2006 - £44,689)

Interim dividends of **£54,600** were paid during the year (2006 - £46,800)

DIRECTORS AND THEIR INTERESTS

The Directors of the Company during the year under review and their interests in the shares of the Company were as follows -

£1 Ordinary Shares		
	31 December 2007	31 December 2006
R J Dennis (resigned 31 December 2007) -		50
P C Bradley	100	50

POST BALANCE SHEET EVENTS

No events have occurred between the Accounting Date and the date of this report, which could materially affect these Accounts

SMALL COMPANY EXEMPTIONS

This Directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to Small Companies

By order of the Board

9 February 2008

P C Bradley (Director)

BIRCH CONSTRUCTION LIMITED

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31 DECEMBER 2007

	Note	2007 £	2006 £
TURNOVER	1	917,449	702,922
COST OF SALES		804,762	584,665
		<hr/>	<hr/>
GROSS PROFIT		112,687	118,257
ADMINISTRATIVE EXPENSES		55,628	61,982
		<hr/>	<hr/>
OPERATING PROFIT	2	57,059	56,275
INTEREST RECEIVED		1,116	532
INTEREST PAID	3	-	(142)
		<hr/>	<hr/>
PROFIT BEFORE TAX		58,175	56,665
TAX	4	(11,293)	(11,976)
		<hr/>	<hr/>
PROFIT AFTER TAX		46,882	44,689
		<hr/>	<hr/>

The Notes on pages 4 to 6 are an integral part of these Accounts

BIRCH CONSTRUCTION LIMITED

BALANCE SHEET AT 31 DECEMBER 2007

	Note	2007		2006	
		£	£	£	£
GOODWILL	6		-		4,625
TANGIBLE ASSETS	7		587		1,386
CURRENT ASSETS					
Bank Balance		4,421		-	
Work in progress		18,580		-	
Debtors	8	38,005		107,875	
		<hr/>		<hr/>	
		61,006		107,875	
CURRENT LIABILITIES	9	59,663		104,238	
		<hr/>		<hr/>	
NET CURRENT ASSETS			1,343		3,637
			<hr/>		<hr/>
			1,930		9,648
			<hr/>		<hr/>
CAPITAL AND RESERVES					
Share Capital	10		100		100
Profit and Loss Account	11		1,830		9,548
			<hr/>		<hr/>
			1,930		9,648
			<hr/>		<hr/>

The Director confirms that the Company is entitled for the year ended 31 December 2007 to the exemption from audit of its financial statements conferred by Section 249A(1) of the Companies Act 1985 and that no notice has been deposited by the Member under Section 249B(2) requiring the Company to obtain an audit of its financial statements for that period

The Director acknowledges his responsibility for

- I Ensuring that the Company keeps proper accounting records which comply with the requirements of the Companies Act 1985, and
- II Preparing financial statements 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 for the year then ended in accordance with the requirements of Section 226 of the Act, and which otherwise comply with the requirements of this Act relating to financial statements, so far as applicable to the Company

The 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 January 2005) The financial statements were approved by the Director on 9 February 2008

P C Bradley (Director)

BIRCH CONSTRUCTION LIMITED

NOTES TO THE ACCOUNTS

1 PRINCIPAL ACCOUNTING POLICIES

1 1 Basis of preparation of the Accounts

The Financial Statements are prepared in accordance with applicable Accounting Standards and under the historical cost convention

1 2 Turnover

Turnover represents sales from the Company's principal activity and is stated net of Value Added Tax

1 3 Goodwill

Goodwill was written off over the 4 years to 31 December 2007

1 4 Tangible Assets and Depreciation

Tangible Assets are stated at cost less depreciation

Depreciation is provided at rates calculated to write off the cost of tangible assets over their expected useful lives on the following basis

Plant & Machinery	33%-50% of cost
Vehicles	33%-50% of cost

2 OPERATING PROFIT

	2007 £	2006 £
The Operating Profit is stated after charging		
Directors' emoluments	10,650	10,133
Depreciation	799	9,424
	<hr/>	<hr/>

3 INTEREST PAID

Other Interest	-	142
	<hr/>	<hr/>

4 TAXATION

Corporation Tax on the adjusted profit for the year	11,293	11,976
	<hr/>	<hr/>

5 DIVIDENDS

Interim Dividends paid during the year	54,600	46,800
	<hr/>	<hr/>

BIRCH CONSTRUCTION LIMITED

NOTES TO THE ACCOUNTS (continued)

		2007	2006	
6	GOODWILL	£	£	
	Cost - at 1 January 2007 and 31 December 2007	18,500	18,500	
		<hr/>	<hr/>	
	Amortisation - at 1 January 2007	13,875	9,250	
	- for year	4,625	4,625	
		<hr/>	<hr/>	
	- at 31 December 2007	18,500	13,875	
		<hr/>	<hr/>	
	Balance at 31 December 2007	-	4,625	
		<hr/>	<hr/>	
7	TANGIBLE ASSETS	Vehicles	Plant & Machinery	TOTAL
		£	£	£
	COST			
	At 1 January 2007	16,970	13,483	30,453
	Additions	-	-	-
		<hr/>	<hr/>	<hr/>
	At 31 December 2007	16,970	13,483	30,453
		<hr/>	<hr/>	<hr/>
	DEPRECIATION			
	At 1 January 2007	16,970	12,097	29,067
	Charge for year	-	799	799
		<hr/>	<hr/>	<hr/>
	At 31 December 2007	16,970	12,896	29,866
		<hr/>	<hr/>	<hr/>
	NET BOOK VALUE			
	At 31 December 2007	-	587	587
		<hr/>	<hr/>	<hr/>
	At 31 December 2006	-	1,386	1,386

BIRCH CONSTRUCTION LIMITED

NOTES TO THE ACCOUNTS (continued)

	2007 £	2006 £
8 DEBTORS		
Trade Debtors	28,030	88,185
Value Added Tax	18,690	19,090
Prepayments	1,285	600
	<hr/> 38,005	<hr/> 107,875
9 CURRENT LIABILITIES		
Bank Overdraft	-	21,492
Directors' Current Accounts	1,505	284
Trade Creditors	37,104	53,490
Corporation Tax	11,293	11,976
Tax & Social Security	5,617	4,326
Other Creditors and Accruals	4,144	12,670
	<hr/> 59,663	<hr/> 104,238
10 SHARE CAPITAL		
Authorised	1,000	1,000
	<hr/>	<hr/>
Issued and fully paid up	100	100
	<hr/>	<hr/>
11 PROFIT AND LOSS ACCOUNT		
At beginning of year	11,659	11,659
Profit after tax for year	46,882	44,689
Dividends	(54,600)	(46,800)
	<hr/>	<hr/>
At end of year	1,830	9,548
	<hr/>	<hr/>
12 RELATED PARTY		

The Company carried out a building contract for Amberborne Limited, which is 100% owned by Mr R J Dennis, who was a Director until 31 December 2007. The value of the contract was £131,631 and there was no outstanding balance at the year end.