

T.I. Tiles International Limited

Abbreviated Financial Statements

Year Ended

31 August 2005

79734

BDO
BDO Stoy Hayward
Chartered Accountants

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T.I. Tiles International Limited

Abbreviated financial statements for the year ended 31 August 2005

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Directors

J. Harwood
W. Harwood

Secretary and registered office

J.A. Papureanu, Napier House, 7 Napier Road, Cumbernauld, G68 0EF

Company number

79734

Auditors

BDO Stoy Hayward LLP, Ballantine House, 168 West George Street, Glasgow, G2 2PT

Bankers

Clydesdale Bank PLC, 30 St. Vincent Place, Glasgow G1 2HL

Solicitors

Macroberts, 152 Bath Street, Glasgow G2 4TB

T.I. Tiles International Limited

Report of the independent auditors

Independent auditors' report to T.I. Tiles International Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 5 together with the financial statements of the company for the year ended 31 August 2005 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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of 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 2 to 5 are properly prepared in accordance with those provisions.



BDO STOY HAYWARD LLP
*Chartered Accountants
and Registered Auditors*
Glasgow

17 January 2006

T.I. Tiles International Limited

Balance sheet at 31 August 2005

	Note	2005 £	2005 £	2004 £	2004 £
Fixed assets					
Tangible assets	2		63,864		41,902
Current assets					
Stocks		6,877		2,026	
Debtors		820,962		739,150	
Cash at bank and in hand		197,857		99,017	
		<u>1,025,696</u>		<u>840,193</u>	
Creditors: amounts falling due within one year		<u>776,146</u>		<u>641,253</u>	
Net current assets			<u>249,550</u>		<u>198,940</u>
Total assets less current liabilities			<u>313,414</u>		<u>240,842</u>
Creditors: amounts falling due after more than one year		20,784		10,251	
Provision for liabilities and charges		-		335	
			<u>20,784</u>		<u>10,586</u>
			<u>292,630</u>		<u>230,256</u>
Capital and reserves					
Called up share capital	3		2		2
Profit and loss account			292,628		230,254
Equity shareholders' funds			<u>292,630</u>		<u>230,256</u>

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

The financial statements were approved by the Board on 17 January 2006.

J. Harwood
Director

The notes on pages 3 to 5 form part of these financial statements.

1 Accounting policies

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

The following principal accounting policies have been applied:

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Plant and machinery	- 25% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 15% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Foreign currency

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances arising from underlying timing differences in respect of tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances are not discounted.

1 Accounting policies (continued)

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

2 Tangible fixed assets

	Total £
<i>Cost</i>	
At 1 September 2004	105,831
Additions	43,257
Disposals	(19,805)
	<hr/>
At 31 August 2005	129,283
	<hr/>
<i>Depreciation</i>	
At 1 September 2004	63,929
Provided for the year	19,232
Disposals	(17,742)
	<hr/>
At 31 August 2005	65,419
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<i>Net book value</i>	
At 31 August 2005	63,864
	<hr/> <hr/>
At 31 August 2004	41,902
	<hr/> <hr/>

T.I. Tiles International Limited

Notes forming part of the financial statements for the year ended 31 August 2005 (Continued)

3 Share capital

	2005	Authorised 2004	Allotted, called up and fully paid	
	£	£	2005	2004
			£	£
<i>Equity share capital</i>				
Ordinary shares of £1 each	20,000	20,000	2	2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

4 Ultimate parent company

The directors regard Thorcroft Limited as the company's ultimate parent company.