

DIRECTORS' REPORT

The Directors present their report and the financial statements for the year ended 31 August 2004.

Principal Activity

The Company's principal activity was that of a civil engineering and tunnelling contractor.

Directors and Their Interests

The Directors at 31 August 2004 and their interests in the share capital of the Company was as follows:

	Ordinary Shares of £1 each
	2004
J C Whitehead	2
S J Harrison	nil
P Boron	nil

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 of the profit and 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 him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the presentation and detection of fraud and other irregularities.

This report was approved by the Board on 16th May 2005 taking advantage of special exemptions available to small companies.


S J Harrison
Director



		Aug.2004	Aug.2003		
Fixed Assets					
Land and Buildings					
Current Assets					
Bank	27942		14329		
Trade Debtors					
Sundry Debtors	2		2		
Total Current Assets	27944		14331		
Current Liabilities					
Bank					
Trade Creditors					
Owing to Assoc.Company					
Taxes					
Accruals	-27968		-14355		
Total Current Liabilities	-27968		-14355		
Net Current Assets/(Liabilities)		-24	-24		
Long Term Liabilities					
Bank					
Net Assets.		-24	-24		
Share Capital		2	2		
Reserves P+(L)		-26	-26		
		-24	-24		

For the year ending 31.08.01 the company was entitled to exemption under section 249A(1) of the Companies Act 1985.

No notice from members requiring an audit has been deposited under section 249B(2)

i) The directors acknowledge their responsibility for:

Ensuring the company keeps accounting records which comply with section 221; and

ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and losses for the financial year in accordance with Section 226 and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Director

Director

A.E.YATES TRENCHLESS SOLUTIONS LIMITED
TRADING ACCOUNT y/r 31.8.04.

				31/08/2004
			£	£
Turnover				
Contract Income				693449
Less Direct Costs				
Subcontract Charges		693614		
Materials				
Plant Hire/Haulage				
Plant R+M				
Wages				
Other Direct Costs				
Total Direct Costs		693614		
Gross Margin				-165
Less Overheads				
Management Service Charges				
Other Overheads				
Bank Charges				
Bank Int Recvble		-165		
Total Expenses		-165		-165
Oprtnng Profit/(Loss)				0
Interest Payable				0
Net Profit/(Loss)				0