

ACS Industries Limited
Abbreviated financial statements
For the year ended 30 June 2003

Grant Thornton 



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COMPANIES HOUSE 16/10/03

Company No. 1579286

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Independent auditors' report to the company pursuant to Section 247B of the Companies Act 1985

We have examined the abbreviated accounts which comprise the balance sheet, principal accounting policies and the related notes, together with the financial statements of the company for the year ended 30 June 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

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 accounts and that the abbreviated accounts 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 5 to 10 are properly prepared in accordance with those provisions.



GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

14 October 2003

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Certain items of plant and machinery are shown under the transitional provisions of FRS 15 - Tangible Fixed Assets

Turnover

The turnover shown in the profit and loss account represents the total amounts receivable for goods supplied and services provided during the year, exclusive of Value Added Tax.

Research and development

Research and development expenditure is written off in the year in which it is incurred. Development costs incurred are capitalised when recoverability can be assessed with reasonable certainty and amortised in line with the expected sales use arising from the projects. All other development costs are written off in the year of expenditure.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	15% - 25% reducing balance basis
Motor Vehicles	-	25% reducing balance basis
Equipment	-	25% reducing balance basis

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the Profit and Loss Account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, except that deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account by equal annual instalments over the expected useful lives of the relevant assets.


Government grants of a revenue nature are credited to the profit and loss accounts in the same period as the related expenditure.

Abbreviated Balance sheet

	Note	2003 £	2002 £
Fixed assets	1		
Tangible assets		<u>517,490</u>	<u>663,717</u>
Current assets			
Stocks		113,759	139,254
Debtors		279,941	310,669
Cash at bank and in hand		<u>56,599</u>	<u>57,100</u>
		450,299	507,023
Creditors: amounts falling due within one year	2	<u>480,203</u>	<u>559,702</u>
Net current liabilities		<u>(29,904)</u>	<u>(52,679)</u>
Total assets less current liabilities		487,586	611,038
Creditors: amounts falling due after more than one year	3	<u>239,271</u>	<u>190,603</u>
		<u>248,315</u>	<u>420,435</u>
Capital and reserves			
Called-up equity share capital	4	10,000	10,000
Revaluation reserve		10,965	12,900
Other reserves		5,000	5,000
Profit and Loss Account		<u>222,350</u>	<u>392,535</u>
Shareholders' funds		<u>248,315</u>	<u>420,435</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 6-10-03 and are signed on their behalf by:


 Mr G Barclay
 Director

Notes to the abbreviated financial statements

1 Fixed assets

	Tangible Assets £
Cost or valuation	
At 1 July 2002	2,258,359
Additions	450
Disposals	(35,787)
At 30 June 2003	<u>2,223,022</u>
Depreciation	
At 1 July 2002	1,594,642
Charge for year	127,275
On disposals	(16,385)
At 30 June 2003	<u>1,705,532</u>
Net book value	
At 30 June 2003	<u>517,490</u>
At 30 June 2002	<u>663,717</u>

2 Creditors: amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2003	2002
	£	£
Bank loans and overdrafts	<u>48,769</u>	<u>17,080</u>

3 Creditors: amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2003	2002
	£	£
Bank loans and overdrafts	<u>135,521</u>	<u>169,414</u>

4 Share capital

Authorised share capital:

	2003	2002
	£	£
15,000 Ordinary shares of £1 each	<u>15,000</u>	<u>15,000</u>

Allotted, called up and fully paid:

	2003	2002
	£	£
Ordinary share capital	<u>10,000</u>	<u>10,000</u>

5 Transactions with directors

The bank loans are secured on named life assurance policies granted by the directors.