

INNES TECHNICAL ENGINEERING LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2004



Chartered Accountants and
Chartered Tax Advisers



INNES TECHNICAL ENGINEERING LTD

COMPANY INFORMATION

DIRECTOR	Mr I Compton
SECRETARY	Mrs K D Compton
COMPANY NUMBER	3141408
REGISTERED OFFICE	14 Lyon Road Hersham Industrial Estate Walton-on-Thames Surrey KT12 3PU
ACCOUNTANTS	Wellden Turnbull Chartered Accountants 78 Portsmouth Road Cobham Surrey KT11 1PP

INNES TECHNICAL ENGINEERING LTD

CONTENTS

	Page
Director's report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 8
<i>The following pages do not form part of the financial statements:</i>	
Detailed profit and loss account and summaries	9 - 11

INNES TECHNICAL ENGINEERING LTD

DIRECTOR'S REPORT For the year ended 31 March 2004

The director presents his report and the financial statements for the year ended 31 March 2004.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was that of audio and video display engineers.


DIRECTOR

The director who served during the year and his beneficial interest in the company's issued share capital was:

	Ordinary shares of £1 each	
	<u>31/3/04</u>	<u>1/4/03</u>
Mr I Compton (including family interest)	100	100

The report of the director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 23.08.04 and signed on its behalf.



Mrs K D Compton
Secretary

INNES TECHNICAL ENGINEERING LTD

ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE UNAUDITED FINANCIAL STATEMENTS OF INNES TECHNICAL ENGINEERING LTD

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 March 2004 set out on pages 3 to 8 and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records of the company and from information and explanations supplied to us.

Wellden Turnbull

Chartered Accountants

78 Portsmouth Road

Cobham

Surrey

KT11 1PP

Date:.....24.08.04.....

INNES TECHNICAL ENGINEERING LTD

PROFIT AND LOSS ACCOUNT For the year ended 31 March 2004

	Note	2004 £	2003 £
TURNOVER	1	254,986	227,534
Cost of sales		(128,605)	(122,683)
GROSS PROFIT		126,381	104,851
Administrative expenses		(110,851)	(111,621)
OPERATING PROFIT/(LOSS)	2	15,530	(6,770)
Interest receivable		167	330
Interest payable		(1,546)	(1,162)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		14,151	(7,602)
TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	4	(1,514)	1,847
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		12,637	(5,755)
DIVIDENDS		-	(25,300)
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		12,637	(31,055)
RETAINED PROFIT BROUGHT FORWARD		46,374	77,429
RETAINED PROFIT CARRIED FORWARD		£ 59,011	£ 46,374

The notes on pages 5 to 8 form part of these financial statements.

INNES TECHNICAL ENGINEERING LTD

BALANCE SHEET **As at 31 March 2004**

	Note	£	2004	£	2003	£
FIXED ASSETS						
Tangible fixed assets	5			70,630		83,101
CURRENT ASSETS						
Stocks		800			1,500	
Debtors	6	71,667			59,657	
Cash at bank and in hand		83			5,914	
			<u>72,550</u>		<u>67,071</u>	
CREDITORS: amounts falling due within one year	7	(75,723)			(84,814)	
NET CURRENT LIABILITIES				<u>(3,173)</u>		<u>(17,743)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				67,457		65,358
CREDITORS: amounts falling due after more than one year	8			(8,346)		(18,884)
NET ASSETS				<u>£ 59,111</u>		<u>£ 46,474</u>
CAPITAL AND RESERVES						
Called up share capital	9			100		100
Profit and loss account				59,011		46,374
SHAREHOLDERS' FUNDS				<u>£ 59,111</u>		<u>£ 46,474</u>

The director considers 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 and members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 249B(2) of the Act. The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2004 and of its profit 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 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 in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the board on 23.08.04 and signed on its behalf.


Mr I Compton
Director

The notes on pages 5 to 8 form part of these financial statements.

INNES TECHNICAL ENGINEERING LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2004

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

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

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Equipment	-	25% straight line
Office equipment	-	25% straight line

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

	2004 £	2003 £
Depreciation of tangible fixed assets:		
- owned by the company	30,830	34,518
- held under finance leases	6,660	2,160
Pension costs	-	1,167
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INNES TECHNICAL ENGINEERING LTD

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2004

3. DIRECTOR'S REMUNERATION

	2004 £	2003 £
Aggregate emoluments	£ 8,500	£ 21,167

During the year retirement benefits were accruing to no directors (2003 - 1) in respect of money purchase pension schemes.

4. TAXATION

	2004 £	2003 £
Analysis of tax charge in year		
UK corporation tax on profits of the year	1,514	-
Adjustments in respect of prior periods	-	(1,847)
Tax on profit on ordinary activities	£ 1,514	£ (1,847)

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK.

5. TANGIBLE FIXED ASSETS

	Equipment £	Office equipment £	Total £
Cost			
At 1 April 2003	195,161	25,665	220,826
Additions	19,500	5,519	25,019
At 31 March 2004	214,661	31,184	245,845
Depreciation			
At 1 April 2003	115,533	22,192	137,725
Charge for the year	35,107	2,383	37,490
At 31 March 2004	150,640	24,575	175,215
Net book value			
At 31 March 2004	£ 64,021	£ 6,609	£ 70,630
At 31 March 2003	£ 79,628	£ 3,473	£ 83,101

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2004 £	2003 £
Equipment	£ 23,763	£ 32,404

INNES TECHNICAL ENGINEERING LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2004

6. DEBTORS

	2004 £	2003 £
Due within one year		
Trade debtors	47,837	47,550
Other debtors	23,830	12,107
	<u>£ 71,667</u>	<u>£ 59,657</u>

7. CREDITORS: **Amounts falling due within one year**

	2004 £	2003 £
Bank loans and overdrafts (secured)	23,442	-
Net obligations under finance leases and hire purchase contracts (secured)	10,538	9,863
Trade creditors	20,046	50,691
Corporation tax	1,571	-
Social security and other taxes	5,918	14,393
Other creditors	14,208	9,867
	<u>£ 75,723</u>	<u>£ 84,814</u>

8. CREDITORS: **Amounts falling due after more than one year**

	2004 £	2003 £
Net obligations under finance leases and hire purchase contracts (secured)	<u>£ 8,346</u>	<u>£ 18,884</u>

9. SHARE CAPITAL

	2004 £	2003 £
Authorised		
1,000 Ordinary shares of £1 each	<u>£ 1,000</u>	<u>£ 1,000</u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>

10. OPERATING LEASE COMMITMENTS

At 31 March 2004 the company had the following operating leasing commitments:

	2004 £	2003 £
Expiry date:		
Between 2 and 5 years	<u>12,600</u>	<u>12,500</u>

INNES TECHNICAL ENGINEERING LTD

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2004

11. RELATED PARTY TRANSACTIONS

During the year the company made sales of £31,126 and purchases of £27,655 to/from Caseline Flight Cases Limited, a company under common control. At the balance sheet date, the company owed £1,428 to Caseline Flight Cases Limited and was owed £29,199 and £3,300 by Caseline Flight Cases Limited. These balances are included in trade creditors, trade debtors and other debtors respectively, and all transactions took place on normal commercial terms and at arms length.

12. CONTROLLING PARTY

Mr I Compton is the ultimate controlling party by virtue of his ownership of 60% of the issued share capital.