Grant Thornton

# Inline Electronics Limited

Abbreviated accounts

For the year ended 31 December 2004




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COMPANIES HOUSE
0455
09/09/05

**Company No. 3191666**

# Company information

| | |
|---|---|
| **Registered office** | Haydock Lane<br>Haydock<br>Merseyside<br>WA11 9UJ |
| **Directors** | Mr A Fowell<br>Mr D Murgatroyd<br>Mr N F Jones<br>Mr C Holce |
| **Secretary** | Mrs A Fowell |
| **Bankers** | HSBC Bank plc<br>Regents Place<br>Regents Road<br>Salford<br>M5 4BT |
| **Solicitors** | Cobbetts<br>Ship Canal House<br>King Street<br>Manchester<br>M2 4WB |
| **Auditors** | Grant Thornton UK LLP<br>Chartered Accountants<br>Registered Auditors<br>Heron House<br>Albert Square<br>MANCHESTER<br>M60 8GT |

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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 and the related notes, together with the financial statements of the company for the year ended 31 December 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to them in a special 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, 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 which comprise the balance sheet and the related notes are properly prepared in accordance with those provisions.

Grant Thornton UK LLP.

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

**12 August 2005**

# Principal accounting policies

### Basis of accounting

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).

### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of VAT.

### Fixed assets

All fixed assets are initially recorded at cost.

### 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 | - | 20% |
| Fixtures & Fittings | - | 20% |
| Motor Vehicles | - | 25% |
| Building Alteration | - | 10% |

### Stocks

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

### Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

### 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.

### 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.

### 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, with the following exceptions:

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 a discounted/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.

# Abbreviated balance sheet

| | Note | 2004 £ | 2003 £ |
|---|---|---|---|
| **Fixed assets** | 1 | | |
| Tangible assets | | **422,480** | 163,521 |
| Investments | | **37,500** | - |
| | | **459,980** | 163,521 |
| **Current assets** | | | |
| Stocks | | **278,208** | 241,320 |
| Debtors | | **178,488** | 414,233 |
| Cash at bank and in hand | | **85,636** | 380,322 |
| | | **542,332** | 1,035,875 |
| **Creditors: amounts falling due within one year** | | **598,023** | 744,615 |
| **Net current (liabilities)/assets** | | **(55,691)** | 291,260 |
| **Total assets less current liabilities** | | **404,289** | 454,781 |
| **Creditors: amounts falling due after more than one year** | | **192,912** | 77,243 |
| **Provisions for liabilities and charges** | | **20,000** | - |
| | | **191,377** | 377,538 |
| **Capital and reserves** | | | |
| Called-up equity share capital | 2 | **1,000** | 1,000 |
| Profit and loss account | | **190,377** | 376,538 |
| **Shareholders' funds** | | **191,377** | 377,538 |

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

These abbreviated accounts were approved by the directors on 12 August 2005 and are signed on their behalf by:

Mr A Fowell

Mr N F Jones

**The accompanying notes form part of these abbreviated accounts.**

# Notes to the abbreviated accounts

## 1 Fixed assets

| | Tangible Assets £ | Investments £ | Total £ |
|---|---|---|---|
| Cost | | | |
| At 1 January 2004 | **573,113** | – | **573,113** |
| Additions | **312,859** | **750,000** | **1,062,859** |
| Disposals | – | **(712,500)** | **(712,500)** |
| At 31 December 2004 | **885,972** | **37,500** | **923,472** |
| Depreciation | | | |
| At 1 January 2004 | **409,592** | – | **409,592** |
| Charge for year | **53,900** | – | **53,900** |
| At 31 December 2004 | **463,492** | – | **463,492** |
| Net book value | | | |
| At 31 December 2004 | **422,480** | **37,500** | **459,980** |
| At 31 December 2003 | 163,521 | – | 163,521 |

At 31 December 2004 the company held 100% of the A ordinary shares and conditional fixed dividend preference shares of the following unlimited investment company.

| | **2004** £ | 2003 £ |
|---|---|---|
| **Aggregate capital and reserves** | | |
| Alipes 63 | **35,452** | – |
| **Profit and (loss) for the year** | | |
| Alipes 63 | **(714,648)** | – |

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

## 2 Share capital

Authorised share capital:

| | 2004 | 2003 |
|---|---|---|
| | £ | £ |
| 500 Ordinary shares of £1 each | **500** | 500 |
| 500 'A' Ordinary shares of £1 each | **500** | 500 |
| | **1,000** | 1,000 |

Allotted, called up and fully paid:

| | 2004 | | 2003 | |
|---|---|---|---|---|
| | No | £ | No | £ |
| Ordinary shares of £1 each | **500** | **500** | 500 | 500 |
| 'A' Ordinary shares of £1 each | **500** | **500** | 500 | 500 |
| | **1,000** | **1,000** | 1,000 | 1,000 |

## 3 Ultimate parent company

The directors consider that the ultimate parent undertaking of this company is its parent company Ex-Or Holdings Limited. The ultimate controlling related party is Ex-Or Holdings Limited as a result of its 100% controlling interest in the shares of Inline Electronics Limited.