Company Registration No. 1289680 (England and Wales)

MICRONICS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 NOVEMBER 2005



MICRONICS LIMITED

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MICRONICS LIMITED

ABBREVIATED BALANCE SHEET
AS AT 30 NOVEMBER 2005

	Notes	2005 £	2005 £	2004 £	2004 £
Fixed assets					
Intangible assets	2		249,849		222,109
Tangible assets	2		46,135		62,782
			295,984		284,891
Current assets					
Stocks		114,933		168,156	
Debtors		179,610		249,337	
Cash at bank and in hand		19,225		16,729	
		313,768		434,222	
Creditors: amounts falling due within one year		(261,786)		(345,422)	
Net current assets			51,982		88,800
Total assets less current liabilities			347,966		373,691
Creditors: amounts falling due after more than one year	3		(25,223)		(53,554)
Provisions for liabilities and charges			(38,397)		(34,215)
			284,346		285,922
Capital and reserves					
Called up share capital	4		125,001		160,001
Other reserves			35,000		-
Profit and loss account			124,345		125,921
Shareholders' funds			284,346		285,922

MICRONICS LIMITED

ABBREVIATED BALANCE SHEET (CONTINUED)
AS AT 30 NOVEMBER 2005

In preparing these abbreviated accounts:

(a) *The directors are of the opinion that the company is entitled to the exemption from audit conferred by* Section 249A(1) of the Companies Act 1985;

(b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and

(c) The directors acknowledge their responsibilities for:

  (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and

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

These abbreviated accounts 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 7/4/06

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M A Farnon

Director

MICRONICS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 NOVEMBER 2005

1 Accounting policies

1.1 Accounting convention

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

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over a five year period which is the expected life of the projects from which the company is likely to benefit.

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 less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15% per annum on a reducing balance basis.
Fixtures, fittings & equipment	a mixture of 15% to 33% per annum on a reducing balance and straight line basis.
Motor vehicles	25% per annum on a reducing balance basis.

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 Stock

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

1.7 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.8 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2005

2 Fixed assets

	Intangible assets	Tangible assets	Total
	£	£	£
Cost			
At 1 December 2004	328,885	198,448	527,333
Additions	103,493	899	104,392
Disposals	-	(21,225)	(21,225)
At 30 November 2005	432,378	178,122	610,500
Depreciation			
At 1 December 2004	106,776	135,666	242,442
On disposals	-	(20,087)	(20,087)
Charge for the year	75,753	16,408	92,161
At 30 November 2005	182,529	131,987	314,516
Net book value			
At 30 November 2005	249,849	46,135	295,984
At 30 November 2004	222,109	62,782	284,891

3 Creditors

The aggregate amount of creditors for which security has been given amounted to £144,067 (2004 - £196,382).

4 Share capital

	2005	2004
	£	£
Authorised		
250,000 Ordinary shares of £1 each	250,000	250,000
Allotted, called up and fully paid		
125,001 Ordinary shares of £1 each	125,001	160,001

During the year the company repurchased and cancelled 35,000 Ordinary shares.

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2005

5 Transactions with directors

Included within other debtors is an interest free loan made to the following director:

	Amount outstanding		Maximum
	2005	2004	in year
	£	£	£
E J Farnon	-	35,000	35,000

During the year EJ Farnon sold 35,000 of his ordinary shareholdings back to the company for a cash consideration of £35,000, the proceeds of which were used to repay his loan account with the company.