

COMPANY REGISTRATION NUMBER 4199184 (England and Wales)

ABC DIGITAL SOLUTIONS LIMITED
ABBREVIATED ACCOUNTS
31 MAY 2004

DEAN STATHAM LLP

Chartered Accountants
29 King Street
Newcastle-under-Lyme
Staffordshire
ST5 1ER



ABC DIGITAL SOLUTIONS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 MAY 2004

CONTENTS

PAGES

Abbreviated balance sheet

1 to 2

Notes to the abbreviated accounts

3 to 6

ABC DIGITAL SOLUTIONS LIMITED

ABBREVIATED BALANCE SHEET

31 MAY 2004

	Note	2004 £	£	2003 £	£
FIXED ASSETS	2				
Tangible assets			555,230		62,317
CURRENT ASSETS					
Stocks		60,424		84,634	
Debtors		385,458		365,103	
Cash at bank and in hand		87,762		146,152	
		<u>533,644</u>		<u>595,889</u>	
CREDITORS: Amounts falling due within one year	3	<u>459,163</u>		<u>456,197</u>	
NET CURRENT ASSETS			<u>74,481</u>		<u>139,692</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>629,711</u>		<u>202,009</u>
CREDITORS: Amounts falling due after more than one year	5		410,344		15,150
PROVISIONS FOR LIABILITIES AND CHARGES			<u>19,367</u>		<u>18,667</u>
			<u>200,000</u>		<u>168,192</u>
CAPITAL AND RESERVES					
Called-up equity share capital	7		1,000		1,000
Profit and loss account			<u>199,000</u>		<u>167,192</u>
SHAREHOLDERS' FUNDS			<u>200,000</u>		<u>168,192</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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 the Act relating to financial statements, so far as applicable to the company.

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

The Balance sheet continues on the following page.

The notes on pages 3 to 6 form part of these abbreviated accounts.


ABC DIGITAL SOLUTIONS LIMITED

ABBREVIATED BALANCE SHEET *(continued)*

31 MAY 2004

These abbreviated accounts were approved by the directors on11/11/04..... and are signed on their behalf by:

S B BURGESS
Director

A handwritten signature in black ink, appearing to read 'S B Burgess', with a long horizontal line extending to the right from the end of the signature.

The notes on pages 3 to 6 form part of these abbreviated accounts.

ABC DIGITAL SOLUTIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MAY 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

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

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:

Freehold Property	-	2% on cost
Plant & Machinery	-	25% reducing balance
Fixtures & Fittings	-	15% reducing balance
Motor Vehicles	-	25% reducing balance

Stocks

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

Cost represents the purchase price of goods and services.

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.

ABC DIGITAL SOLUTIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MAY 2004

1. ACCOUNTING POLICIES *(continued)*

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, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

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.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 June 2003	86,721
Additions	533,457
Disposals	(433)
At 31 May 2004	<u>619,745</u>
DEPRECIATION	
At 1 June 2003	24,404
Charge for year	40,268
On disposals	(157)
At 31 May 2004	<u>64,515</u>
NET BOOK VALUE	
At 31 May 2004	<u>555,230</u>
At 31 May 2003	<u>62,317</u>

ABC DIGITAL SOLUTIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MAY 2004

3. CREDITORS: Amounts falling due within one year

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

	2004	2003
	£	£
Bank loans and overdrafts	<u>21,447</u>	<u>6,060</u>

4. HIRE PURCHASE LIABILITY

The hire purchase liability in the amount of £15,750 included within creditors due within one year, and £46,375 included in creditors falling due after more than one year is secured on the underlying assets.

5. 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:

	2004	2003
	£	£
Bank loans and overdrafts	<u>363,969</u>	<u>15,150</u>

Included within creditors falling due after more than one year is an amount of £280,950 (2003 - £Nil) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

6. TRANSACTIONS WITH THE DIRECTORS

The following directors had interest free loans during the year. The movement on these loans are as follows:-

	Amount Outstanding		Maximum
	2004	2003	In year
	£	£	£
S B Burgess	14,299	21,909	51,895
P S Beetham	3,617	7,098	16,522
C Bakewell	—	—	8,260
I McIntyre	—	616	4,913

ABC DIGITAL SOLUTIONS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 MAY 2004

	2004		2003	
	£	£	£	£
7. SHARE CAPITAL				
Authorised share capital:				
	2004		2003	
	£		£	
50,000 A Ordinary Shares of £0.01 each	500		500	
11,500 B Ordinary Shares of £0.01 each	115		115	
11,500 C Ordinary Shares of £0.01 each	115		115	
11,500 D Ordinary Shares of £0.01 each	115		115	
3,500 E Ordinary Shares of £0.01 each	35		35	
3,500 F Ordinary Shares of £0.01 each	35		35	
2,000 G Ordinary Shares of £0.01 each	20		20	
3,000 H Ordinary Shares of £0.01 each	30		30	
3,500 I Ordinary Shares of £0.01 each	35		35	
900,000 Ordinary Shares of £0.01 each	9,000		9,000	
	10,000		10,000	
 Allotted and called up:				
	2004		2003	
	No	£	No	£
A Ordinary Shares of £0.01 each	50,000	500	50,000	500
B Ordinary Shares of £0.01 each	11,500	115	11,500	150
C Ordinary Shares of £0.01 each	11,500	115	11,500	150
D Ordinary Shares of £0.01 each	11,500	115	11,500	45
E Ordinary Shares of £0.01 each	3,500	35	3,500	45
F Ordinary Shares of £0.01 each	3,500	35	3,500	10
G Ordinary Shares of £0.01 each	2,000	20	2,000	20
H Ordinary Shares of £0.01 each	3,000	30	3,000	30
I Ordinary Shares of £0.01 each	3,500	35	3,500	35
	100,000	1,000	100,000	1,000