

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2004
FOR
THOMAS WATTS MACHINES AND CONTROLS
LIMITED**



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**THOMAS WATTS MACHINES AND CONTROLS
LIMITED**

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FOR THE YEAR ENDED 30 APRIL 2004**

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**THOMAS WATTS MACHINES AND CONTROLS
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2004**

DIRECTORS:

T F Watts
P J Mortiboy

SECRETARY:

T F Watts

REGISTERED OFFICE:

40 Alpha Road
Cambridge
CB4 3DG

REGISTERED NUMBER:

4408020

ACCOUNTANTS:

Chater Allan LLP
Chartered Accountants
Beech House
4a Newmarket Road
Cambridge
CB5 8DT

**THOMAS WATTS MACHINES AND CONTROLS
LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 APRIL 2004**

The directors present their report with the financial statements of the company for the year ended 30 April 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of engineering.

DIRECTORS

The directors during the year under review were:

T F Watts
P J Mortiboy

The beneficial interests of the directors holding office on 30 April 2004 in the issued share capital of the company were as follows:

	30.4.04	1.5.03
Ordinary £1 shares		
T F Watts	34	34
P J Mortiboy	33	33

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

ON BEHALF OF THE BOARD:



.....
T F Watts - Director

Date: 4 - 2 - 2005

**THOMAS WATTS MACHINES AND CONTROLS
LIMITED**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2004**

	Notes	Year Ended 30.4.04 £	Period 2.4.02 to 30.4.03 £
TURNOVER		88,182	43,006
Cost of sales		28,008	16,416
GROSS PROFIT		60,174	26,590
Administrative expenses		32,942	24,287
OPERATING PROFIT	2	27,232	2,303
Interest receivable and similar income		6	3
		27,238	2,306
Interest payable and similar charges		82	54
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		27,156	2,252
Tax on profit on ordinary activities	3	4,003	-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		23,153	2,252
Dividends	4	20,000	-
RETAINED PROFIT FOR THE YEAR		3,153	2,252

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous period.

**THOMAS WATTS MACHINES AND CONTROLS
LIMITED**

**BALANCE SHEET
30 APRIL 2004**

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets	5	3,574	4,128
CURRENT ASSETS			
Stocks	6	8,340	2,100
Debtors	7	13,260	8,989
		21,600	11,089
CREDITORS			
Amounts falling due within one year	8	19,702	12,898
NET CURRENT ASSETS/(LIABILITIES)		1,898	(1,809)
TOTAL ASSETS LESS CURRENT LIABILITIES		5,472	2,319
CAPITAL AND RESERVES			
Called up share capital	10	67	67
Profit and loss account	11	5,405	2,252
SHAREHOLDERS' FUNDS	13	5,472	2,319

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 April 2004.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

T. Watts

T F Watts - Director

Approved by the Board on *4 - 2 - 2005*

**THOMAS WATTS MACHINES AND CONTROLS
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2004**

1. ACCOUNTING POLICIES

Accounting convention

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

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 20% on 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.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

2. OPERATING PROFIT

The operating profit is stated after charging:

	Year Ended 30.4.04 £	Period 2.4.02 to 30.4.03 £
Other operating leases	4,000	4,000
Depreciation - owned assets	1,152	1,032
	<u>5,152</u>	<u>5,032</u>
Directors' emoluments and other benefits etc	12,000	12,000
	<u>17,152</u>	<u>17,032</u>

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	Year Ended 30.4.04 £	Period 2.4.02 to 30.4.03 £
Current tax:		
UK corporation tax	4,003	-
	<u>4,003</u>	<u>-</u>
Tax on profit on ordinary activities	4,003	-
	<u>4,003</u>	<u>-</u>

**THOMAS WATTS MACHINES AND CONTROLS
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2004**

3. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 30.4.04 £	Period 2.4.02 to 30.4.03 £
Profit on ordinary activities before tax	27,156	2,252
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2003 - 0%)	5,160	-
Effects of: Capital allowances in excess of depreciation	(57)	-
Marginal relief	(1,100)	-
Current tax charge	4,003	-

4. DIVIDENDS

	Year Ended 30.4.04 £	Period 2.4.02 to 30.4.03 £
Equity shares: Final	20,000	-

5. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
At 1 May 2003	5,160
Additions	598
At 30 April 2004	5,758
DEPRECIATION	
At 1 May 2003	1,032
Charge for year	1,152
At 30 April 2004	2,184
NET BOOK VALUE	
At 30 April 2004	3,574
At 30 April 2003	4,128

**THOMAS WATTS MACHINES AND CONTROLS
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2004**

6. STOCKS

	2004	2003
	£	£
Stocks	<u>8,340</u>	<u>2,100</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Trade debtors	12,593	8,322
Prepayments and accrued income	667	667
	<u>13,260</u>	<u>8,989</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Bank loans and overdrafts (see note 9)	3,307	2,694
Trade creditors	3,746	3,325
Tax	4,003	-
Social security and other taxes	73	73
VAT	1,327	193
Directors' current accounts	6,446	5,659
Accruals and deferred income	800	954
	<u>19,702</u>	<u>12,898</u>

9. LOANS

An analysis of the maturity of loans is given below:

	2004	2003
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>3,307</u>	<u>2,694</u>

10. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2004	2003
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2004	2003
			£	£
67	Ordinary	£1	<u>67</u>	<u>67</u>

**THOMAS WATTS MACHINES AND CONTROLS
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 APRIL 2004**

11. RESERVES

	Profit and loss account £
At 1 May 2003	2,252
Retained profit for the year	<u>3,153</u>
At 30 April 2004	<u><u>5,405</u></u>

12. RELATED PARTY DISCLOSURES

The company is controlled by Mr T F Watts.

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Profit for the financial year	23,153	2,252
Dividends	<u>(20,000)</u>	<u>-</u>
	3,153	2,252
New share capital subscribed	<u>-</u>	<u>67</u>
Net addition to shareholders' funds	3,153	2,319
Opening shareholders' funds	<u>2,319</u>	<u>-</u>
Closing shareholders' funds	<u><u>5,472</u></u>	<u><u>2,319</u></u>
Equity interests	<u><u>5,472</u></u>	<u><u>2,319</u></u>