

Company Registration No. 00832429 (England and Wales)

CHELSEA INSTRUMENTS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006



CHELSEA INSTRUMENTS LIMITED

CONTENTS

	Page
Independent auditors' report	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3 - 6

CHELSEA INSTRUMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO CHELSEA INSTRUMENTS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 6, together with the financial statements of Chelsea Instruments Limited for the year ended 31 March 2006 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 audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts 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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of audit opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.



Hazlems Fenton

Chartered Accountants
Registered Auditor

18.7.2006

Chartered Accountants
Palladium House
1-4 Argyll Street
London W1F 7LD

CHELSEA INSTRUMENTS LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 MARCH 2006

	Notes	2006 £	£	2005 £	£
Fixed assets					
Tangible assets	2	311,339		334,620	
Investments	2	23,373		23,373	
		<u>334,712</u>		<u>357,993</u>	
Current assets					
Stocks		1,241,505		1,216,082	
Debtors		1,203,816		728,841	
		<u>2,445,321</u>		<u>1,944,923</u>	
Creditors: amounts falling due within one year		<u>(1,580,559)</u>		<u>(1,249,791)</u>	
Net current assets		<u>864,762</u>		<u>695,132</u>	
Total assets less current liabilities		<u>1,199,474</u>		<u>1,053,125</u>	
Creditors: amounts falling due after more than one year		(393,412)		(410,847)	
Provisions for liabilities		<u>(39,224)</u>		<u>(37,826)</u>	
		<u>766,838</u>		<u>604,452</u>	
Capital and reserves					
Called up share capital	3	50,000		50,000	
Profit and loss account		716,838		554,452	
Shareholders' funds		<u>766,838</u>		<u>604,452</u>	

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

Approved by the Board for issue on 11/7/06


S A Fletcher
Director

CHELSEA INSTRUMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006

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 January 2005).

1.2 Turnover

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

1.3 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:

Land and buildings Leasehold	Straight line over the length of the lease
Plant and machinery	Varying between 15% reducing balance and straight line over life of lease as relevant

1.4 Leasing and hire purchase commitments

Assets acquired under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over 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 in constant proportion to the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease terms.

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Stock

Stock and work in progress are valued at the lower of cost and net realisable value. Cost includes direct materials, labour, production and handling overheads incurred in bringing each product to its direct location and condition. Net realisable value is based on estimated selling price less further costs to completion and selling costs.

1.7 Long term contracts

Turnover on long-term contracts represents the sales value of work carried out during the period which would include amounts invoiced and yet to be invoiced at the year-end. The sales value of work carried out is determined on the basis of the applied cost of materials and the proportion of total contract labour hours expended in the period and after allowing for contingencies and provision for anticipated losses where relevant.

Operating profit includes attributable profits on long-term contracts completed and amounts recoverable on contracts uncompleted, the latter also being included under debtors due within one year where relevant.

Long-term work in progress is shown at net cost after deducting foreseeable losses and payments on account.

CHELSEA INSTRUMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

1 Accounting policies

(continued)

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2005).

1.9 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.

1.10 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.

1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is a small group exempt from the requirement to do so by section 228 of the Companies Act 1985.

1.12 Government grants

Grants towards capital expenditure are credited to cost of fixed assets and released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

CHELSEA INSTRUMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

2 Fixed assets

	Tangible assets	Investments	Total
	£	£	£
Cost			
At 1 April 2005	1,487,800	23,373	1,511,173
Additions	36,242	-	36,242
At 31 March 2006	1,524,042	23,373	1,547,415
Depreciation			
At 1 April 2005	1,153,180	-	1,153,180
Charge for the year	59,523	-	59,523
At 31 March 2006	1,212,703	-	1,212,703
Net book value			
At 31 March 2006	311,339	23,373	334,712
At 31 March 2005	334,620	23,373	357,993

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Chelsea Environmental Instruments Ltd	England and Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2006	Profit for the year 2006
	Principal activity	£	£
Chelsea Environmental Instruments Ltd	Dormant	51,851	-

CHELSEA INSTRUMENTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

3	Share capital	2006 £	2005 £
	Authorised		
	50,000 Ordinary shares of £1 each	50,000	50,000
		<u>50,000</u>	<u>50,000</u>
	Allotted, called up and fully paid		
	50,000 Ordinary shares of £1 each	50,000	50,000
		<u>50,000</u>	<u>50,000</u>

4 Ultimate parent company

The ultimate and immediate parent company is Chelsea Technologies Limited, a company registered in England and Wales.