

Company Registration No. 1916920 (England and Wales)

ALCHEMY METALS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2004



ALCHEMY METALS LIMITED

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ABBREVIATED BALANCE SHEET AS AT 31 OCTOBER 2004

	Notes	2004 £	£	2003 £	£
Fixed assets					
Tangible assets	2		375,064		374,672
Current assets					
Stocks		160,109		183,869	
Debtors		352,227		376,409	
Cash at bank and in hand		44,560		3,209	
		<u>556,896</u>		<u>563,487</u>	
Creditors: amounts falling due within one year	3	<u>(654,429)</u>		<u>(740,367)</u>	
Net current liabilities			<u>(97,533)</u>		<u>(176,880)</u>
Total assets less current liabilities			277,531		197,792
Creditors: amounts falling due after more than one year			(208,129)		(189,112)
Provisions for liabilities and charges			<u>(12,506)</u>		<u>(7,558)</u>
			<u>56,896</u>		<u>1,122</u>
Capital and reserves					
Called up share capital	4		1,000		1,000
Revaluation reserve			71,118		88,898
Profit and loss account			<u>(15,222)</u>		<u>(88,776)</u>
Shareholders' funds - equity interests			<u>56,896</u>		<u>1,122</u>

ALCHEMY METALS LIMITED

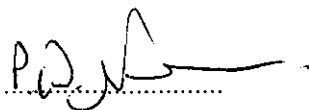
ABBREVIATED BALANCE SHEET (CONTINUED) AS AT 31 OCTOBER 2004

In preparing these financial statements:

- (a) The director is 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 director acknowledges his 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 21st June 2005


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Director

ALCHEMY METALS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation plant & machinery.

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 or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Short leasehold improvement	over the lease period
Plant and machinery	over 5 - 10 years
Fixtures, fittings & equipment	over 5 years
Motor vehicles	over 5 years

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

1.4 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.

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

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable, in accordance with the rules of the scheme.

1.7 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.

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NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2004

2 Fixed assets

	Tangible assets £
Cost or valuation	
At 1 November 2003	855,450
Additions	125,121
Disposals	(69,491)
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At 31 October 2004	911,080
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Depreciation	
At 1 November 2003	480,778
On disposals	(51,586)
Charge for the year	106,824
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At 31 October 2004	536,016
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Net book value	
At 31 October 2004	375,064
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At 31 October 2003	374,672
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3 Creditors: amounts falling due within one year

The advances by factor of £177,011 (2003: £147,802) are secured on the trade debtors of £305,286 (2003: £331,045) of the company.

The hire purchase creditor is secured on the assets it relates to.

4 Share capital

	2004 £	2003 £
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
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Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
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5 Transactions with directors

At 31 October 2003 Alchemy Metals Limited owed £20,404 to P W Newman, a director of the company. During the year £11,717 was advanced to P W Newman and £7,794 was repaid leaving a balance due to the company of £24,327 at 31 October 2004.

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NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) ***FOR THE YEAR ENDED 31 OCTOBER 2004***

6 Ultimate Parent Company

The ultimate parent company is Alchemy Metals Group Limited.