

ALDERLEY MATERIALS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR
30 SEPTEMBER 2001



DAVID E SEABRIGHT & CO LIMITED
Chartered Accountants & Registered Auditors
174 Whiteladies Road
Clifton
Bristol
BS8 2XU

ALDERLEY MATERIALS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2001

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ALDERLEY MATERIALS LIMITED**INDEPENDENT AUDITORS' REPORT TO THE COMPANY****PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 30 September 2001 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE 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 accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

174 Whiteladies Road
Clifton
Bristol
BS8 2XU

23 January 2002



DAVID E SEABRIGHT & CO LIMITED
Chartered Accountants
& Registered Auditors

ALDERLEY MATERIALS LIMITED**ABBREVIATED BALANCE SHEET****30 SEPTEMBER 2001**

	Note	2001 £	£	2000 £	£
FIXED ASSETS	2				
Intangible assets			81,389		87,203
Tangible assets			<u>92,756</u>		<u>104,668</u>
			174,145		191,871
CURRENT ASSETS					
Stocks		115,181		22,422	
Debtors		<u>937,563</u>		<u>685,493</u>	
		1,052,744		707,915	
CREDITORS: Amounts falling					
Due within one year	3	<u>(1,649,369)</u>		<u>(1,298,620)</u>	
NET CURRENT LIABILITIES			(596,625)		(590,705)
TOTAL ASSETS LESS CURRENT LIABILITIES			(422,480)		(398,834)
PROVISIONS FOR LIABILITIES AND CHARGES			(12,061)		(9,813)
			<u>(434,541)</u>		<u>(408,647)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	4		150,000		150,000
Profit and Loss Account			<u>(584,541)</u>		<u>(558,647)</u>
DEFICIENCY			<u>(434,541)</u>		<u>(408,647)</u>

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

These financial statements were approved and signed by the director on 23 January 2002

A J V SHEPHERD

A. J. V. Shepherd

ALDERLEY MATERIALS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30 SEPTEMBER 2001**

1. ACCOUNTING POLICIES**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The accounts have been prepared on the going concern basis as the company continues to have the support of the holding company, Alderley Holdings Limited.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax and trade discounts, and the value of long-term contract work done.

Amortisation

Amortisation 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:

Development expenditure - over 15 yrs

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:

Plant & Machinery - 2% per month

Stocks

Stocks of material are valued at the lower of cost and net realisable value.

Work in progress

Work in progress is valued at the lower of cost and net realisable value. Cost includes attributable overheads. Turnover on long-term contracts is recognised according to the stage reached in the contract by reference to the value of work done. A prudent estimate of the profit attributable to work completed is recognised once the outcome of the contract can be assessed with reasonable certainty. The costs on long-term contracts not yet taken to the profit and loss account less related foreseeable losses and payments on account are shown in stocks and long-term contract balances.

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.

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.

ALDERLEY MATERIALS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30 SEPTEMBER 2001****1. ACCOUNTING POLICIES** *(continued)***Deferred taxation**

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Research and development

Expenditure on research and development is charged to profit and loss account in the year in which it is incurred, except where a development project meets the criteria set out in SSAP 13 when development costs are capitalised as intangible fixed assets and amortised over 15 years on a straight line basis.

2. FIXED ASSETS

	Intangible Assets £	Tangible Fixed Assets £	Total £
COST			
At 1 October 2000	87,203	248,054	335,257
Additions	-	11,225	11,225
At 30 September 2001	<u>87,203</u>	<u>259,279</u>	<u>346,482</u>
DEPRECIATION			
At 1 October 2000	-	143,386	143,386
Charge for year	5,814	23,137	28,951
At 30 September 2001	<u>5,814</u>	<u>166,523</u>	<u>172,337</u>
NET BOOK VALUE			
At 30 September 2001	<u>81,389</u>	<u>92,756</u>	<u>174,145</u>
At 30 September 2000	<u>87,203</u>	<u>104,668</u>	<u>191,871</u>

3. CREDITORS: Amounts falling due within one year

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

	2001 £	2000 £
Bank loans and overdrafts	<u>1,157,130</u>	<u>1,006,213</u>

ALDERLEY MATERIALS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 30 SEPTEMBER 2001**

4. SHARE CAPITAL**Authorised share capital:**

	2001 £	2000 £
150,000 Ordinary shares of £1.00 each	<u>150,000</u>	<u>150,000</u>

Allotted, called up and fully paid:

	2001 £	2000 £
Ordinary share capital	<u>150,000</u>	<u>150,000</u>

5. ULTIMATE PARENT COMPANY

In the opinion of the directors the company's ultimate parent company is Alderley Holdings Limited, a company incorporated in Great Britain, and registered in England and Wales. Alderley Holdings Limited prepares group financial statements and copies can be obtained from Alderley House, Arnolds Field Estate, The Downs, Wickwar, Wotton-under-Edge, Gloucestershire, GL12 8JD.