

PDQ ENGINEERING LIMITED
ABBREVIATED ACCOUNTS
29 FEBRUARY 2004



MITCHELLS
Chartered Accountants & Registered Auditors
Suite 4 Parsons House
Parsons Road
Washington
Tyne & Wear
NE37 1EZ

PDQ ENGINEERING LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 29 FEBRUARY 2004

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PDQ ENGINEERING 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 29 February 2004 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's shareholders those matters we are required to state to them in an auditors' report 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 and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

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.



MITCHELLS
Chartered Accountants
& Registered Auditors

Suite 4 Parsons House
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24 May 2004

PDQ ENGINEERING LIMITED**ABBREVIATED BALANCE SHEET****29 FEBRUARY 2004**

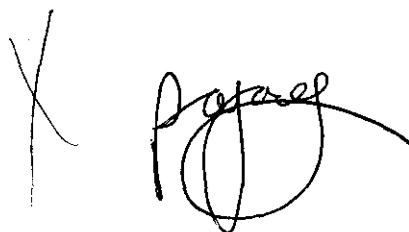
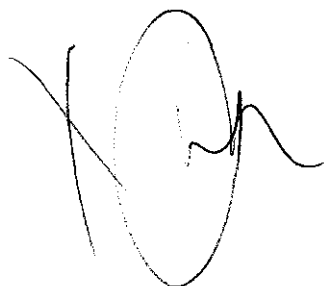
	Note	2004 £	2003 £
FIXED ASSETS	1		
Tangible assets		<u>863,257</u>	<u>972,424</u>
CURRENT ASSETS			
Stocks		15,436	20,796
Debtors		372,866	412,953
Cash at bank and in hand		<u>972</u>	<u>223</u>
		<u>389,274</u>	<u>433,972</u>
CREDITORS: Amounts falling due within one year		<u>508,195</u>	<u>595,925</u>
NET CURRENT LIABILITIES		(118,921)	(161,953)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>744,336</u>	<u>810,471</u>
CREDITORS: Amounts falling due after more than one year		72,478	177,081
PROVISIONS FOR LIABILITIES AND CHARGES		90,372	91,184
GOVERNMENT GRANTS	2	<u>-</u>	<u>10,684</u>
		<u>581,486</u>	<u>531,522</u>
CAPITAL AND RESERVES			
Called-up equity share capital	3	73,000	73,000
Revaluation reserve		68,980	68,980
Other reserves		38,000	38,000
Profit and loss account		<u>401,506</u>	<u>351,542</u>
SHAREHOLDERS' FUNDS		<u>581,486</u>	<u>531,522</u>

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

These abbreviated accounts were approved by the directors on 24 May 2004 and are signed on their behalf by:

D G McGUIRE

P A JACKSON



The accounting policies and notes on pages 3 to 5 form part of these abbreviated accounts.

PDQ ENGINEERING LIMITED

ACCOUNTING POLICIES

YEAR ENDED 29 FEBRUARY 2004

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

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% straight line
Plant & Machinery	- 12.5% reducing balance
Fixtures & Fittings	- 15% - 33% 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.

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.

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.

PDQ ENGINEERING LIMITED

ACCOUNTING POLICIES *(continued)*

YEAR ENDED 29 FEBRUARY 2004

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.

Deferred government grants

During the year, the directors refined the deferred government grants policy. The grants are written back to the profit and loss account over three years.

As a result of this refinement the amount of deferred income credited to the profit and loss account has increased by £9,330, consequently profits for the year are higher by this same amount.

PDQ ENGINEERING LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 29 FEBRUARY 2004

1. FIXED ASSETS

	Tangible Assets £
COST OR VALUATION	
At 1 March 2003	2,329,910
Additions	2,133
Disposals	(50,028)
At 29 February 2004	<u>2,282,015</u>
DEPRECIATION	
At 1 March 2003	1,357,486
Charge for year	84,035
On disposals	(22,763)
At 29 February 2004	<u>1,418,758</u>
NET BOOK VALUE	
At 29 February 2004	<u>863,257</u>
At 28 February 2003	<u>972,424</u>

2. GOVERNMENT GRANTS

	2004 £	2003 £
Received and receivable	247,482	247,482
Amortisation	(247,482)	(236,798)
	<u>—</u>	<u>10,684</u>

3. SHARE CAPITAL

Authorised share capital:

	2004 £	2003 £
100,000 Ordinary shares of £1 each	100,000	100,000
38,000 Preference shares of £1 each	38,000	38,000
	<u>138,000</u>	<u>138,000</u>

Allotted, called up and fully paid:

	2004 No	£	2003 No	£
Ordinary shares of £1 each	<u>73,000</u>	<u>73,000</u>	<u>73,000</u>	<u>73,000</u>