

MILLS AND SONS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003

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MILLS AND SONS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2003

	Note	2003	2002
FIXED ASSETS			
Tangible assets	2	138,785	174,613
CURRENT ASSETS			
Stock		92,205	155,075
Debtors	3	327,073	253,496
Cash at bank and in hand		83,317	99,625
		<u>502,595</u>	<u>508,196</u>
CREDITORS: Amounts falling due within one year	4	<u>262,811</u>	<u>369,461</u>
NET CURRENT LIABILITIES		<u>239,784</u>	<u>138,735</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>378,569</u>	<u>313,348</u>
CREDITORS: Amounts falling due after more than one year	4	-	1,124
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation		11,497	13,308
NET ASSETS		<u>£ 367,072</u>	<u>£ 298,916</u>
CAPITAL AND RESERVES			
Called up share capital	5	1,000	1,000
Profit and loss account		366,072	297,916
SHAREHOLDERS FUNDS		<u>£ 367,072</u>	<u>£ 298,916</u>

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

Approved by the Board of Directors on 26 October 2004 and signed on its behalf by:

S R Mills
Director



MILLS AND SONS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

1. ACCOUNTING POLICIES

Basis of preparation of accounts

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover is the amount derived from the provision of goods and services falling within the Company's ordinary activities after deduction of trade discounts and value added tax.

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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property improvements	10% per annum, straight line basis
Plant and equipment	15% per annum, reducing balance basis
Motor vehicles	25% per annum, reducing balance basis

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account over the lease term.

Assets held under finance leases and hire purchase contracts are capitalized and depreciated over their useful lives. The capital element of the corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to profit and loss account in proportion to the net obligation outstanding in each period.

Stock

Stock and work in progress are valued at the lower of cost and net realizable value.

Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Pension costs

The Company operates a defined contribution pension scheme, Mills Pension Fund, for the directors and contributions are charged to the profit and loss account for the year in which they are payable. The scheme is a small self-administered pension scheme.

MILLS AND SONS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

2. TANGIBLE FIXED ASSETS

	Total
Cost:	
At 1 January 2003	343,706
Additions	4,629
Disposals	(32,440)
At 31 December 2003	315,895
Depreciation:	
At 1 January 2003	169,093
Charge for the year	29,961
On disposals	(21,944)
At 31 December 2003	177,110
Net book value:	
At 31 December 2002	£ 174,613
At 31 December 2003	£ 138,785

3. DEBTORS

Included in debtors is a loan to Mr S R Mills, a director, of £20,300 (2002: £8,853). The loan is interest free and repayable on demand. The maximum amount outstanding during the year was £20,300 (2002: £15,761).

	2003	2002
4. CREDITORS		
Creditors include the following:		
Secured creditors	£ 1,124	£ 6,045
5. SHARE CAPITAL		
Authorized:		
Ordinary shares of £1 each	100,000	100,000
Issued, allotted and fully paid:		
Ordinary shares of £1 each	1,000	1,000

6. TRANSACTIONS WITH DIRECTORS

During the period the Company paid rent of £1,829 (2002: £7,500) for land and buildings to Mr R E C Mills and £9,000 (2002: £4,500) to Mr S R Mills.

MILLS AND SONS LIMITED
INDEPENDENT AUDITORS' REPORT

Independent auditors' report to Mills and Sons Limited
under section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the full accounts of the Company for the year ended 31 December 2003 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

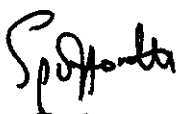
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the Company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the full accounts, 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 full accounts.

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 on pages 2 to 4 are properly prepared in accordance with those provisions.



Spofforths
Chartered Accountants and Registered Auditors
20 Old Mill Square
Storrington
West Sussex
RH20 4NQ

Date: 28 October 2004