COMPANY REGISTRATION NUMBER 02969921

MICHAEL RHODES LIMITED

UNAUDITED ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2004

LANGDOWNS DFK
Chartered Accountants
Fleming Court
Leigh Road
Eastleigh
Southampton
SO50 9PD



MICHAEL RHODES LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2004

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MICHAEL RHODES LIMITED

ABBREVIATED BALANCE SHEET

31ST DECEMBER 2004

	Note	2004 £	2004 £	2003 £	2003 £
FIXED ASSETS	2				
Intangible assets			**39,000**		41,600
Tangible assets			**18,343**		19,047
			57,343		60,647
CURRENT ASSETS					
Debtors		**1,382**		4,906	
Cash at bank and in hand		**104,667**		68,408	
		106,049		73,314	
CREDITORS: Amounts falling due within one year		**93,854**		81,454	
NET CURRENT ASSETS/(LIABILITIES)			**12,195**		(8,140)
TOTAL ASSETS LESS CURRENT LIABILITIES			**69,538**		52,507
PROVISIONS FOR LIABILITIES AND CHARGES			**1,630**		1,733
			67,908		50,774
CAPITAL AND RESERVES					
Called-up equity share capital	3		**1,000**		1,000
Profit and loss account			**66,908**		49,774
SHAREHOLDERS' FUNDS			**67,908**		50,774

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

(i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and

(ii) preparing financial statements 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 the Act relating to financial statements, so far as applicable to the company.

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 and signed by the director on 10th March 2005.

MR C N RILEY
Director

The notes on pages 2 to 4 form part of these abbreviated accounts.

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 June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

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:

Goodwill	-	5% straight line

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:

Plant & Machinery	-	25% reducing balance
Fixtures & Fittings	-	25% reducing balance
Motor Vehicles	-	25% reducing balance
Equipment	-	12.5% - 33% reducing balance

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.

1. ACCOUNTING POLICIES *(continued)*

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.

2. FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Total £
COST			
At 1st January 2004	**52,000**	**38,056**	**90,056**
Additions	**–**	**6,316**	**6,316**
At 31st December 2004	**52,000**	**44,372**	**96,372**
DEPRECIATION			
At 1st January 2004	**10,400**	**19,009**	**29,409**
Charge for year	**2,600**	**7,020**	**9,620**
At 31st December 2004	**13,000**	**26,029**	**39,029**
NET BOOK VALUE			
At 31st December 2004	**39,000**	**18,343**	**57,343**
At 31st December 2003	41,600	19,047	60,647

3. SHARE CAPITAL

Authorised share capital:

	2004	2003
	£	£
10,000 Ordinary shares of £1 each	**10,000**	10,000

Allotted, called up and fully paid:

	2004		2003	
	No	£	No	£
Ordinary shares of £1 each	**1,000**	**1,000**	1,000	1,000