

ADVANCED TRANSPORT SYSTEMS LIMITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
30 SEPTEMBER 2002**

COMPANY NUMBER:3070821



ADVANCED TRANSPORT SYSTEMS LIMITED

INDEPENDENT AUDITORS' REPORT TO ADVANCED TRANSPORT SYSTEMS LIMITED
Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts of Advanced Transport Systems Limited for the year ended 30 September 2002 set out on pages 2 to 7, together with the financial statements of the company for the year ended 30 September 2002 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

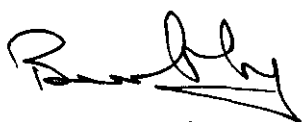
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and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

BASIS OF AUDIT 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 Companies Act 1985, and the abbreviated accounts on pages 2 to 7 are properly prepared in accordance with those provisions.



Bentley Jennison

Chartered Accountants
Registered Auditors



4 July 2003

Howard House
Queens Avenue
Clifton
Bristol
BS8 1QT

ADVANCED TRANSPORT SYSTEMS LIMITED

ABBREVIATED BALANCE SHEET
As at 30 September 2002

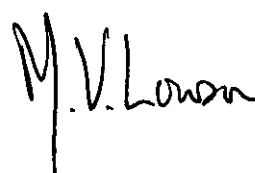
	Note	2002 £	2001 £
FIXED ASSETS			
Intangible fixed assets	2	190,877	-
Tangible fixed assets	3	30,320	28,109
Investments	4	1,002	1,002
		<u>222,199</u>	<u>29,111</u>
CURRENT ASSETS			
Debtors		302,912	54,621
Cash at bank		37,630	446,143
		<u>340,542</u>	<u>500,764</u>
CREDITORS: amounts falling due within one year		<u>(232,324)</u>	<u>(407,528)</u>
NET CURRENT ASSETS		<u>108,218</u>	<u>93,236</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>330,417</u>	<u>122,347</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation		(3,896)	(3,880)
NET ASSETS		<u><u>326,521</u></u>	<u><u>118,467</u></u>
CAPITAL AND RESERVES			
Called up share capital	5	92,867	44,034
Share premium account		32,512	1,403
Profit and loss account		201,142	73,030
SHAREHOLDERS' FUNDS		<u><u>326,521</u></u>	<u><u>118,467</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 9th June 2003 and signed on its behalf.

Mr C V Cook
Director



Mr M V Lowson
Director



The notes on pages 3 to 7 form part of these financial statements.

ADVANCED TRANSPORT SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 30 September 2002

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 Intangible fixed assets and 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:

ULTra Trade Mark - Over 20 years straight line.

Vehicle door patent - Over 20 years straight line.

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

1.5 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:

Equipment	- 15% reducing balance to 33.33% straight line
Fixtures and fittings	- 25% reducing balance to 50% straight line

1.6 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

This represents a change in accounting policy due to the introduction of FRS19, effective for all accounting periods ending on or after 23 January 2002. There is no material effect on the financial statements for either this or the preceding accounting period.

1.7 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

ADVANCED TRANSPORT SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 30 September 2002

1.8 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. INTANGIBLE FIXED ASSETS

	£
Cost	
At 1 October 2001	-
Additions	190,983
At 30 September 2002	190,983
Amortisation	
At 1 October 2001	-
Charge for the year	106
At 30 September 2002	106
Net book value	
At 30 September 2002	190,877
At 30 September 2001	-

ADVANCED TRANSPORT SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 September 2002

3. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 October 2001	49,784
Additions	11,413
At 30 September 2002	61,197
Depreciation	
At 1 October 2001	21,675
Charge for the year	9,202
At 30 September 2002	30,877
Net book value	
At 30 September 2002	30,320
At 30 September 2001	28,109

ADVANCED TRANSPORT SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 September 2002

4. FIXED ASSET INVESTMENTS

	£
Cost	
At 1 October 2001 and 30 September 2002	1,002

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Advanced Transport Vehicles Limited	100% Owned
Urban Light Transport Limited	100% Owned
ULTra (Cardiff) Limited	100% Owned
Advanced Transport Systems Inc	100% Owned and incorporated in the United States of America

The aggregate of the share capital and reserves as at 30 September 2002 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Advanced Transport Vehicles Limited	8,453	9,586
Urban Light Transport Limited	2	-
ULTra (Cardiff) Limited	500	-
Advanced Transport Systems Inc	-	-

Urban Light Transport Limited has remained dormant during the period. The issued share capital of the company is 2 £1 ordinary shares.

ULTra (Cardiff) Limited was incorporated on 26 July 2001 and has remained dormant during the period. The issued share capital of the company is 500 £1 ordinary shares.

5. SHARE CAPITAL

	2002 £	2001 £
Authorised		
400,000 Ordinary shares of £1 each	400,000	400,000
Allotted, called up and fully paid		
92,867 Ordinary shares of £1 each	92,867	44,034

During the year the company allotted 199 ordinary £1 shares with an aggregate nominal value of £199. The consideration received for these shares was £31,308.

In addition the company made a bonus issue of 48,634 £1 ordinary shares during the year. 46,434 of these were issued on the basis of 1 bonus share for every share held in September 2002. The remaining 2,200 shares were issued on the basis of 40 bonus shares for every new share subscribed.

ADVANCED TRANSPORT SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 30 September 2002

6. TRANSACTIONS WITH DIRECTORS

Included within other creditors is a loan owed to the director M Lowson amounting to £12,934 (2001: £11,934) at the balance sheet date.