Registration number 3070821

Advanced Transport Systems Limited

Abbreviated accounts

for the year ended 31 March 2007

THURSDAY

AEZJ0WMO

A80 24/01/2008 266

COMPANIES HOUSE

Advanced Transport Systems Limited

Independent auditors' report to the company under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 6 together with the financial statements of Advanced Transport Systems Limited for the year ended 31 March 2007 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 work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors

The directors are responsible for preparing 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 conducted our work in accordance with Bulletin 2006/3 "The special auditors' report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board In accordance with that Bulletin we have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared

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 in respect of the year ended 31 March 2007, and the abbreviated accounts have been properly prepared in accordance with those provisions

Milsted Langdon
Chartered Accountants and Registered Auditors
Bristol, 17 January 2008

Advanced Transport Systems Limited

Abbreviated balance sheet
as at 31 March 2007

	Notes	2007 £	2007 £	2006 £	2006 £
Fixed assets					
Intangible assets	2		3,839,908		1,475,193
Tangible assets	2		668,492		19,226
Investments	2		1,002		1,002
			4,509,402		1,495,421
Current assets					
Debtors		1,405,038		612,821	
Cash at bank and in hand		2,526,528		567,783	
		3,931,566		1,180,604	
Creditors: amounts falling due within one year		(824,894)		(399,913)	
Net current assets			3,106,672		780,691
Total assets less current liabilities			7,616,074		2,276,112
Creditors: amounts falling due after more than one year			(598,000)		(125,000)
Net assets			7,018,074		2,151,112
Capital and reserves					
Called up share capital	3		143,868		118,526
Share premium account			6,827,544		2,222,196
Profit and loss account			46,662		(189,610)
Shareholders' funds			7,018,074		2,151,112

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

The abbreviated accounts were approved and authorised for issue by the board on 12/12/07 and signed on its behalf by

....
Director

....
Director

The notes on pages 3 to 6 form an integral part of the abbreviated accounts.
Auditors' report - page 1.

Notes to the abbreviated accounts for the year ended 31 March 2007

1. Accounting policies

1.1 Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

1.3. Intangible fixed assets and amortisation

Amortisation is calculated so as to write off the cost of an asset, less its residual value, over the expected useful life, as follows

ULTra trademark	-	Over 20 years straight line
Patents	-	Over 20 years straight line

1.4. Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred Development expenditure is written off in the same year unless the directors are satisfied as to the technical, commercial and financial viability of individual projects In this situation, the expenditure is deferred and amortised over the period from which the company is expected to benefit The development of the ULTra PRT system is ongoing and so no amortisation has yet been provided

1.5. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Freehold land and buildings	-	Straight line over 50 years
Leasehold property	-	Straight line over the life of the lease
Equipment	-	15% reducing balance to 33 33% straight line
Fixtures and fittings	-	25% reducing balance, 10% to 50% straight line

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.7. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value

1.8. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

continued

1.9. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

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

1.10. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transactions All exchange differences are taken to the profit and loss account

1.11. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts

2. Fixed assets

	Intangible assets £	Tangible fixed assets £	Investments £	Total £
Cost				
At 1 April 2006	1,477,057	75,190	1,002	1,553,249
Additions	2,366,862	669,128	-	3,035,990
Disposals	-	(2,210)	-	(2,210)
At 31 March 2007	3,843,919	742,108	1,002	4,587,029
Depreciation and Provision for diminution in value				
At 1 April 2006	1,864	55,964	-	57,828
On disposals	-	(819)	-	(819)
Charge for year	2,147	18,471	-	20,618
At 31 March 2007	4,011	73,616	-	77,627
Net book values				
At 31 March 2007	3,839,908	668,492	1,002	4,509,402
At 31 March 2006	1,475,193	19,226	1,002	1,495,421

continued

Holdings of 20% or more
The company holds 20% or more of the share capital of the following companies

Company	Country of registration or incorporation	Nature of business	Shares held Class	%
Subsidiary undertaking				
Advanced Transport Vehicles Limited	England	Vehicle manufacture	Ordinary	100%
Urban Light Transport Limited	England	Dormant	Ordinary	100%
ULTra (Cardiff) Limited	England	Dormant	Ordinary	100%
Advanced Transport Systems Inc	USA	Promotion of ULTra	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves	Loss for the year
	£	£
Advanced Transport Vehicles Limited	(17,096)	(144)
Urban Light Transport Limited	2	-
ULTra (Cardiff) Limited	500	-
	$	$
Advanced Transport Systems Inc	(10,584)	(3,592)

3 **Share capital**	2007	2006
	£	£
Authorised		
1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
Allotted, called up and fully paid		
143,868 Ordinary shares of £1 each	143,868	118,526

During the period the company has issued 25,342 £1 ordinary shares for cash The total consideration received was £4,630,690

continued

4. Transactions with directors

During the year the company paid a third party company, Learned Lion Limited, for the services of N Clarke, a director The value of these services totalled £38,634 (6 months ended 31 March 2006 £23,852) At the balance sheet date the amount due to Learned Lion was £31,033 (2006 £28,026)

During the year P J Rilett invoiced the company £6,006 (2006 £nil) for his services as a director of the company