
AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
31 DECEMBER 2002**



AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED **Under section 247B of the Companies Act 1985**

We have examined the abbreviated accounts of Automotive Environmental Services Limited for the year ended 31 December 2002 set out on pages 2 to 6, together with the financial statements of the company for the year ended 31 December 2002 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 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 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 6 are properly prepared in accordance with those provisions.


Barnes Roffe

Chartered Accountants
Registered Auditors
Leytonstone House
Leytonstone
London E11 1HR

25th September 2003

AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED

ABBREVIATED BALANCE SHEET As at 31 December 2002

	Note	£	2002 £	£	2001 £
FIXED ASSETS					
Tangible assets	2		275,235		360,992
Investments	3		1,924,862		1,092,209
			<u>2,200,097</u>		<u>1,453,201</u>
DEBTORS: due after more than one year	4		44,166		-
CURRENT ASSETS					
Debtors	4	383,677		269,826	
Cash at bank		972,055		-	
			<u>1,355,732</u>	<u>269,826</u>	
CREDITORS: amounts falling due within one year	5	(59,706)		(1,089,896)	
NET CURRENT ASSETS/(LIABILITIES)			<u>1,296,026</u>		<u>(820,070)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,540,289</u>		<u>633,131</u>
CREDITORS: amounts falling due after more than one year	5		(3,000,000)		(124,598)
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation			(4,695)		(4,695)
NET ASSETS			<u>£ 535,594</u>		<u>£ 503,838</u>
CAPITAL AND RESERVES					
Called up share capital	6		100		100
Revaluation reserve			152,605		152,605
Profit and loss account			382,889		351,133
SHAREHOLDERS' FUNDS			<u>£ 535,594</u>		<u>£ 503,838</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 17/9/2003 and signed on its behalf.

S Appleyard
Director

P L Wicks
Director

The notes on pages 3 to 6 form part of these abbreviated accounts.

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 December 2002

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

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 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 annual bases:

Plant and equipment	-	20%	straight line
Motor vehicles	-	20%	straight line

1.5 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 timing differences arising on revaluations of fixed assets which are not intended to be sold and 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.

1.6 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.

1.7 Lease of assets

The company receives rental income on assets held for use in operating leases. It recognises the rental income on a straight line basis and accounts for costs over the life of the lease.

1.8 Investment properties

Investment properties are valued annually at open market value. As these properties are held for investment purposes, not consumption, depreciation is not considered to be relevant.

The treatment is in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). This treatment is a departure from the Companies Act 1985, but is necessary in order for the financial statements to give a true and fair view. It would not be practical to quantify the depreciation which might otherwise have been charged.

AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 December 2002

2. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 January 2002	451,240
Additions	5,614
At 31 December 2002	456,854
Depreciation	
At 1 January 2002	90,248
Charge for the year	91,371
At 31 December 2002	181,619
Net book value	
At 31 December 2002	£ 275,235
At 31 December 2001	£ 360,992

AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 December 2002

3. FIXED ASSET INVESTMENTS

	£
Cost or valuation	
At 1 January 2002	1,092,209
Additions	832,753
Disposals	(100)
	<u>£ 1,924,862</u>

Investment properties

Investment properties were revalued to an open market value of £1,092,009 at the end of 2001. The valuation was undertaken by P L Wicks, a director of the company.

The investment properties with a cost of £1,802,691 were not revalued during the year ended 31 December 2002. The directors consider that the current carrying value is consistent with the current open market value of the properties.

Participating interests

Investments include an investment in an associated undertaking, JAE Property Limited, comprising a holding of 40% of its issued share capital.

During the latest financial year JAE Property Limited made a profit after tax of £57,654 (2001 - £41,167) and at the year end the aggregate of its capital and reserves was £18,552 (2001 - £398).

During the year the company made an investment in an associated undertaking, Authorite Limited, comprising a holding of 50% of its issued share capital. The company is still within its first financial period and therefore no profit after tax or aggregate of capital and reserves have been reported.

4. DEBTORS

Debtors include £44,166 (2001 - £Nil) falling due after more than one year.

Included within other debtors due within one year is a loan to S Appleyard, a director, amounting to £17,561 (2001 - £Nil). The maximum amount outstanding during the year was £17,561. Interest is charged on the loan at a commercial rate.

5. CREDITORS

Creditors include amounts not wholly repayable within 5 years as follows:

	2002 £	2001 £
Repayable other than by instalments	<u>£ 3,000,000</u>	<u>£ -</u>

Creditors of £Nil (2001 - £1,069,383) are secured.

AUTOMOTIVE ENVIRONMENTAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 December 2002

6. SHARE CAPITAL

	2002 £	2001 £
Authorised		
1,000,000 Ordinary shares of £1 each	£ 1,000,000	£ 1,000,000
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	£ 100	£ 100

7. TRANSACTIONS WITH DIRECTORS

The company had transactions with Automotive Trade Supplies Limited, a company under the common control of the directors which was disposed of during the year. Transactions with Automotive Trade Supplies Limited during the year were as follows:

Sales were made of £1,176 (2001 - £205,355).

Rent receivable was £51,600 (2001 - £51,600).

Amount owed to Automotive Trade Supplies Limited at 31 December 2002 was £Nil (2001 - £100).

The company had joint and several liability for the bank borrowings of Automotive Trade Supplies Limited. Automotive Trade Supplies Limited had cross guaranteed the bank loan and overdraft of £Nil (2001 - £1,069,383) in Automotive Environmental Services Limited. This joint and several liability was terminated on disposal of Automotive Trade Supplies Limited.

The company also provided ATS Roadfox Limited, a company under the common control of the directors, with consultancy services amounting to £Nil (2001 - £12,000). The directors disposed of their interest in ATS Roadfox during the year.

At the year end the company owed P L Wicks, a director, £22,140 (2001 - £116,383) in respect of loans to the company. During the year the company borrowed £3,000,000 (2001 - £Nil) from trusts of which the directors are beneficiaries. The amount outstanding at the year end was £3,000,000 (2001 - £Nil).