

Company Number: 03622898

ACORN WORKS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2003

PKF



ACORN WORKS LIMITED

CONTENTS

	Page
REPORT OF THE AUDITORS	1
ABBREVIATED BALANCE SHEET	2
NOTES TO THE ABBREVIATED ACCOUNTS	3 - 4

**INDEPENDENT AUDITORS' REPORT TO
ACORN WORKS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts, which comprise the Abbreviated Balance Sheet and the related notes, together with the financial statements of the company for the year ended 31 August 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 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 are properly prepared in accordance with those provisions.

Great Yarmouth, UK
18 December 2003

PKF
PKF
Registered Auditors

ACORN WORKS LIMITED
ABBREVIATED BALANCE SHEET
31 AUGUST 2003

	Notes	2003 £	2002 £
FIXED ASSETS			
Tangible	2	31,512	18,689
CURRENT ASSETS			
Stocks		149,657	4,024
Debtors		385,195	193,393
Cash at bank and in hand		64,787	-
		<u>599,639</u>	<u>197,417</u>
CREDITORS: amounts falling due within one year	3	(577,856)	(166,276)
NET CURRENT ASSETS		<u>21,783</u>	<u>31,141</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>53,295</u>	<u>49,830</u>
CREDITORS: amounts falling due after more than one year	3	-	(5,398)
PROVISIONS FOR LIABILITIES AND CHARGES		(2,406)	(2,051)
NET ASSETS		<u><u>50,889</u></u>	<u><u>42,381</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Profit and loss account		50,789	42,281
		<u><u>50,889</u></u>	<u><u>42,381</u></u>

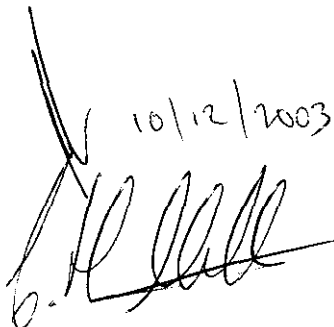
The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the board on 10 December 2003

Signed on behalf of the board of directors

P A Goodman Director

C H Mills Director

10/12/2003

10/12/2003

ACORN WORKS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2003

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

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).

(b) Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

(c) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	25 % Reducing balance
Computer equipment	25 % Reducing balance
Motor vehicles	25 % Reducing balance

(d) Finance and operating leases

Assets acquired under finance leases or hire purchase are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the capital balance outstanding.

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

(e) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis, and includes all direct costs incurred. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

(f) Long term contracts

Contracts that have the characteristics of long term contracts are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as contract activity based upon the stage completion of the contract. Where the outcome of the contracts can be assessed with reasonable certainty the prudently calculated attributable profit is recognised in the profit and loss account.

(g) Deferred taxation

Deferred tax is recognised in respect of all timing differences that give rise to an obligation to pay tax in the future. Deferred tax assets are not recognised where the basis of their recoverability is uncertain. Deferred tax is measured on a non-discounted basis.

(h) Pensions

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

ACORN WORKS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 AUGUST 2003

2 TANGIBLE FIXED ASSETS

	£
Cost	
At 1 September 2002	22,663
Additions	20,492
At 31 August 2003	<u>43,155</u>
Depreciation	
At 1 September 2002	3,974
Charge for the year	7,669
At 31 August 2003	<u>11,643</u>
Net book amount	
At 31 August 2003	<u>31,512</u>
At 31 August 2002	<u>18,689</u>

3 CREDITORS

Creditors amounting to **£66,781** (2002 - £25,163) are secured.

4 SHARE CAPITAL

	Authorised £	Allotted, called up and fully paid No	£
At 1 September 2002 and 31 August 2003			
Ordinary shares of £1 each	1,000	100	100
	<u> </u>	<u> </u>	<u> </u>