



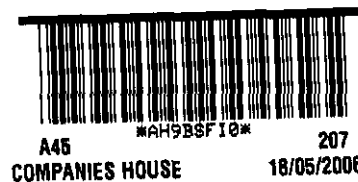
Accountants &  
business advisers

## ACORN WORKS LIMITED

Company Number: 3622898

ABBREVIATED ACCOUNTS

YEAR ENDED 31 AUGUST 2005



A45  
COMPANIES HOUSE

\*AH936F10\*

207  
18/05/2006

# ACORN WORKS LIMITED

## CONTENTS

|                                   | Page  |
|-----------------------------------|-------|
| CHARTERED ACCOUNTANTS' REPORT     | 1     |
| ABBREVIATED BALANCE SHEET         | 2     |
| NOTES TO THE ABBREVIATED ACCOUNTS | 3 - 4 |

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS  
ON THE UNAUDITED ABBREVIATED ACCOUNTS OF  
ACORN WORKS LIMITED**

In accordance with the engagement letter dated 28 February 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the abbreviated accounts of the company for the year ended 31 August 2005 which comprise the Abbreviated Balance Sheet and the related notes from the unaudited financial statements of the company prepared for shareholders.

This report is made to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the abbreviated accounts that we have been engaged to compile, report to the company's board of directors that we have done so, and state those matters that we have agreed to state to them in this 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 and the company's board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

We have not carried out an audit of the abbreviated accounts or the financial statements from which they have been compiled. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the abbreviated accounts.

*PKF (UK) LLP*

PKF (UK) LLP

Great Yarmouth, UK

16 MAY

2006

**ACORN WORKS LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**31 AUGUST 2005**

|                                                       | Notes | 2005<br>£            | 2004<br>£            |
|-------------------------------------------------------|-------|----------------------|----------------------|
| <b>FIXED ASSETS</b>                                   |       |                      |                      |
| Tangible                                              | 2     | 25,475               | 33,799               |
| <b>CURRENT ASSETS</b>                                 |       |                      |                      |
| Stocks                                                |       | -                    | 153,330              |
| Debtors                                               |       | 224,262              | 255,913              |
| Cash at bank and in hand                              |       | 63,256               | 107,096              |
|                                                       |       | <u>287,518</u>       | <u>516,339</u>       |
| <b>CREDITORS: amounts falling due within one year</b> | 3     | (233,925)            | (490,813)            |
| <b>NET CURRENT ASSETS</b>                             |       | <u>53,593</u>        | <u>25,526</u>        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |       | <u>79,068</u>        | <u>59,325</u>        |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES</b>         |       | (2,834)              | (3,769)              |
| <b>NET ASSETS</b>                                     |       | <u><u>76,234</u></u> | <u><u>55,556</u></u> |
| <b>CAPITAL AND RESERVES</b>                           |       |                      |                      |
| Called up share capital                               | 4     | 100                  | 100                  |
| Profit and loss account                               |       | 76,134               | 55,456               |
|                                                       |       | <u><u>76,234</u></u> | <u><u>55,556</u></u> |

The company is entitled to the exemption from audit conferred by subsection 1 of section 249A of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with subsection (2) of section 249B.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company 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.

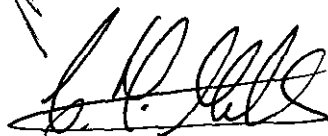
The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Act relating to small companies.

The abbreviated accounts were approved by the board on 10 May 2006

Signed on behalf of the board of directors

P A Goodman Director

C H Mills Director



**ACORN WORKS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2005**

**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 |
| Office equipment      | 25 % Reducing balance |
| Fixtures and fittings | 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) Deferred taxation**

The company has a policy of full provision of deferred tax assets and liabilities in respect of all timing differences, except that deferred tax assets are recognised only where their recoverability in the short term is regarded as more likely than not. Deferred tax balances are not discounted.

**(g) Pensions**

The company contributes towards personal pension schemes on behalf of certain employees.

**(h) 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.

**ACORN WORKS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2005**

**2 TANGIBLE FIXED ASSETS**

|                        | £                    |
|------------------------|----------------------|
| <b>Cost</b>            |                      |
| At 1 September 2004    | 55,675               |
| Additions              | 140                  |
| At 31 August 2005      | <u>55,815</u>        |
| <b>Depreciation</b>    |                      |
| At 1 September 2004    | 21,876               |
| Charge for the year    | 8,464                |
| At 31 August 2005      | <u>30,340</u>        |
| <b>Net book amount</b> |                      |
| At 31 August 2005      | <u><u>25,475</u></u> |
| At 31 August 2004      | <u><u>33,799</u></u> |

**3 CREDITORS**

Creditors amounting to **£32,000** (2004 - £32,000) are secured.

**4 SHARE CAPITAL**

|                                                                         | Authorised<br>£     | Allotted, called up and<br>fully paid<br>No | £                 |
|-------------------------------------------------------------------------|---------------------|---------------------------------------------|-------------------|
| At 1 September 2004<br>and 31 August 2005<br>Ordinary shares of £1 each | <u><u>1,000</u></u> | <u><u>100</u></u>                           | <u><u>100</u></u> |