REGISTERED NUMBER: 4259021 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS

FOR THE PERIOD 25 JULY 2001 TO 31 DECEMBER 2002

FOR

K M ENGINEERING LIMITED

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COMPANIES HOUSE 21/05/03

K M ENGINEERING LIMITED

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for the Period 25 July 2001 to 31 December 2002

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K M ENGINEERING LIMITED

COMPANY INFORMATION
for the Period 25 July 2001 to 31 December 2002

DIRECTORS:	K M Nicholson S D Coggins
SECRETARY:	Mrs W J Nicholson
REGISTERED OFFICE:	Unit 7b Parnell Road Trading Estate Fishponds Bristol BS16 3JQ
REGISTERED NUMBER:	4259021 (England and Wales)
ACCOUNTANTS:	Keller & Co Chartered Accountants 367B Church Road Frampton Cotterell Bristol BS36 2AQ

K M ENGINEERING LIMITED

ABBREVIATED BALANCE SHEET
31 December 2002

	Notes	£	£
FIXED ASSETS:			
Intangible assets	2		**113,846**
Tangible assets	3		**196,736**
			310,582
CURRENT ASSETS:			
Stocks		**29,000**	
Debtors		**143,070**	
Cash in hand		**3**	
		172,073	
CREDITORS: Amounts falling due within one year		**353,488**	
NET CURRENT LIABILITIES:			**(181,415)**
TOTAL ASSETS LESS CURRENT LIABILITIES:			**129,167**
CREDITORS: Amounts falling due after more than one year			**(72,567)**
PROVISIONS FOR LIABILITIES AND CHARGES:			**(7,311)**
			£49,289
CAPITAL AND RESERVES:			
Called up share capital	4		**200**
Profit and loss account			**49,089**
SHAREHOLDERS' FUNDS:			**£49,289**

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 31 December 2002.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 December 2002 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

K M ENGINEERING LIMITED

ABBREVIATED BALANCE SHEET
31 December 2002

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

ON BEHALF OF THE BOARD:

.....
K M Nicholson - DIRECTOR

.....
S D Coggins - DIRECTOR

Approved by the Board on 16th May 2003.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the Period 25 July 2001 to 31 December 2002

1. ACCOUNTING POLICIES

Accounting convention
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).

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

Goodwill
Goodwill, being the amount paid in connection with the acquisition of a business in 2001, is being written off evenly over its estimated useful life of ten years.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- Straight line over 3 years

Stocks
Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions
The company operates a defined contribution pension scheme. Contributions payable for the period are charged in the profit and loss account.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the Period 25 July 2001 to 31 December 2002

2. INTANGIBLE FIXED ASSETS

	Total
	£
COST:	
Additions	**128,882**
At 31 December 2002	**128,882**
AMORTISATION:	
Charge for period	**15,036**
At 31 December 2002	**15,036**
NET BOOK VALUE:	
At 31 December 2002	**113,846**

3. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
Additions	**239,708**
At 31 December 2002	**239,708**
DEPRECIATION:	
Charge for period	**42,972**
At 31 December 2002	**42,972**
NET BOOK VALUE:	
At 31 December 2002	**196,736**

4. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	£
900	Ordinary 'A'	£1	**900**
100	Ordinary 'B'	£1	**100**
			1,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	£
100	Ordinary 'A'	£1	**100**
100	Ordinary 'B'	£1	**100**
			200

The following shares were allotted and fully paid for cash at par during the period:

100 Ordinary 'A' shares of £1 each
100 Ordinary 'B' shares of £1 each