

**Acre Industrial and Cleaning Services
Limited**

Abbreviated Financial Statements

Year Ended

30 June 2003



Acre Industrial and Cleaning Services Limited

Abbreviated financial statements for the year ended 30 June 2003

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Director

J.W. Price

Secretary and registered office

L.Price, Fulwood Estate, Moss Road, Houston, Renfrewshire PA6 7BJ

Company number

117639

Auditors

BDO Stoy Hayward, Ballantine House, 168 West George Street, Glasgow, G2 2PT

Banker

Bank of Scotland, The Cross, Paisley PA1 1DB

Solicitors

MSM. 51 Moss Street, Paisley PA1 1DS

Acre Industrial and Cleaning Services Limited**Report of the independent auditors**

Independent auditors' report to Acre Industrial and Cleaning Services Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 7 together with the financial statements of the company for the year ended 30 June 2003 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The director is responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

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 financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated financial statements on pages 2 to 7 are properly prepared in accordance with those provisions.

BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors
Glasgow

22 September 2003

Acre Industrial and Cleaning Services Limited

Balance sheet at 30 June 2003

	Note	2003 £	2003 £	2002 £	2002 £
Fixed assets					
Tangible assets	2		572,189		629,692
Fixed asset investments	3		2,560		2,560
			<u>574,749</u>		<u>632,252</u>
Current assets					
Debtors		340,858		459,995	
Cash at bank and in hand		117,891		134,358	
		<u>458,749</u>		<u>594,353</u>	
Creditors: amounts falling due within one year	4	277,488		426,704	
Net current assets			<u>181,261</u>		<u>167,649</u>
Total assets less current liabilities			<u>756,010</u>		<u>799,901</u>
Creditors: amounts falling due after more than one year	5		47,514		33,918
			<u>708,496</u>		<u>765,983</u>
Capital and reserves					
Called up share capital	6		20,000		20,000
Profit and loss account			688,496		745,983
Equity shareholders' funds			<u>708,496</u>		<u>765,983</u>

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

The financial statements were approved by the director on 22 September 2003.

James W Price

J.W.Price
Director

The notes on pages 3 to 7 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention.

The following principal accounting policies have been applied:

Consolidated financial statements

The company is exempt from the requirement to prepare consolidated financial statements by virtue of section 248 of the Companies Act 1985 as the group it heads qualifies as a small group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Turnover

Turnover represents the invoiced value of sales made during the year, excluding value added tax.

Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, over its expected useful life. The annual depreciation rates are as follows:

Leasehold improvements	- 10% straight line
Plant & equipment	- 25% straight line
Motor vehicles	- 25% straight line
Fixtures & fittings	- 25% straight line
Holiday homes for letting	- 4% straight line

Investment properties

In accordance with SSAP 19 investment properties are revalued annually to open market value and no depreciation is provided. The director considers that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 1985 has not been quantified because it is impracticable and, in the opinion of the director, would be misleading.

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

1 Accounting policies (continued)

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances arising from underlying timing differences in respect of tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances are not discounted.

Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

Acre Industrial and Cleaning Services Limited

Notes forming part of the financial statements for the year ended 30 June 2003 (*Continued*)

2 Tangible fixed assets

	Total £
<i>Cost</i>	
At 1 July 2002	1,420,661
Additions	181,316
Disposals	(79,762)
At 30 June 2003	1,522,215
<i>Depreciation</i>	
At 1 July 2002	790,969
Provided for the year	171,651
Disposals	(12,594)
At 30 June 2003	950,026
<i>Net book value</i>	
At 30 June 2003	572,189
At 30 June 2002	629,692

Acre Industrial and Cleaning Services Limited

Notes forming part of the financial statements for the year ended 30 June 2003 (*Continued*)

3 Fixed asset investments

	Total £
<i>Cost or valuation</i>	
At 1 July 2002 and 30 June 2003	2,560
<i>Net book value</i>	
At 30 June 2002 and 30 June 2003	2,560

Subsidiary undertakings

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

	Proportion of voting rights and ordinary share capital held
The Acreage Limited	100%

During its latest financial year The Acreage Limited made a profit / loss after tax of £nil (2002 - profit / loss of £nil) and at the end of the financial year the aggregate of its capital and reserves was £(423,895) (2002 - £(423,895)).

4 Creditors: amounts falling due within one year

As at 30 June 2003, the bank overdraft amounted to £48,981 (2002 - £77,947). Bank borrowings are secured by a bond and floating charge over all of the company's assets in favour of The Bank of Scotland.

Acre Industrial and Cleaning Services Limited

Notes forming part of the financial statements for the year ended 30 June 2003 (Continued)

5 Creditors: amounts falling due after more than one year

Included in creditors due after more than one year are the following amounts:

	2003 £	2002 £
Repayable in more than five years:	28,095	-
	<u>28,095</u>	<u>-</u>

As at 30 June 2003, an amount of £49,424 was due to the Bank of Scotland in respect of a term loan. This is repayable in monthly instalments terminating in May 2013. Interest is payable at 2% over the Bank of Scotland base rate. The loan is secured by a bond and floating charge over the company's assets.

Hire purchase obligations totalling £33,918 (2002 - £74,701), including amounts falling due within one year of 32,192 (2002 - £40,783) are secured on the assets being purchased.

6 Share capital

	2003 £	Authorised 2002 £	Allotted, called up and fully paid 2003 £	2002 £
<i>Equity share capital</i>				
Ordinary shares of £1 each	20,000	20,000	20,000	20,000
	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>