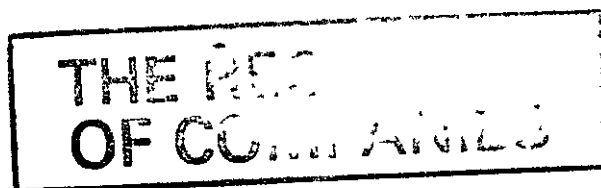


**Company Registration Number SC177721**

Alpha Solway Limited

**Abbreviated Accounts**

31 December 2007



Armstrong Watson  
Chartered Accountants & Registered Auditors  
Fairview House  
Victoria Place  
Carlisle  
Cumbria  
CA1 1HP

**ALPHA SOLWAY LIMITED**  
**ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2007**

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# **ALPHA SOLWAY LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO ALPHA SOLWAY LIMITED**

### **UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts which comprise the Balance Sheet and the related notes, together with the financial statements of Alpha Solway Limited for the year ended 31 December 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's 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 for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITOR**

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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

#### **BASIS OF OPINION**

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

#### **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 have been properly prepared in accordance with those provisions.

CARLISLE



ARMSTRONG WATSON  
Chartered Accountants  
& Registered Auditors

20 3 08

**ALPHA SOLWAY LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**31 DECEMBER 2007**

|                                                                | Note     | 2007             |                  | 2006             |                  |
|----------------------------------------------------------------|----------|------------------|------------------|------------------|------------------|
|                                                                |          | £                | £                | £                | £                |
| <b>FIXED ASSETS</b>                                            | <b>2</b> |                  |                  |                  |                  |
| Tangible assets                                                |          |                  | 390,499          |                  | 406,076          |
| Investments                                                    |          |                  | 461,906          |                  | 461,906          |
|                                                                |          |                  | <u>852,405</u>   |                  | <u>867,982</u>   |
| <b>CURRENT ASSETS</b>                                          |          |                  |                  |                  |                  |
| Stocks                                                         |          | 688,025          |                  | 667,766          |                  |
| Debtors                                                        |          | 597,331          |                  | 481,719          |                  |
| Cash at bank and in hand                                       |          | 3,523            |                  | 84,592           |                  |
|                                                                |          | <u>1,288,879</u> |                  | <u>1,234,077</u> |                  |
| <b>CREDITORS: Amounts falling due within one year</b>          | <b>3</b> | <u>515,556</u>   |                  | <u>491,242</u>   |                  |
| <b>NET CURRENT ASSETS</b>                                      |          |                  | <u>773,323</u>   |                  | <u>742,835</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |          |                  | <u>1,625,728</u> |                  | <u>1,610,817</u> |
| <b>CREDITORS: Amounts falling due after more than one year</b> | <b>4</b> |                  | 220,691          |                  | 268,066          |
| <b>PROVISIONS FOR LIABILITIES</b>                              |          |                  | 6,400            |                  | 8,100            |
|                                                                |          |                  | <u>1,398,637</u> |                  | <u>1,334,651</u> |
| <b>CAPITAL AND RESERVES</b>                                    |          |                  |                  |                  |                  |
| Called up equity share capital                                 | <b>5</b> |                  | 800              |                  | 800              |
| Share premium account                                          |          |                  | 544,500          |                  | 544,500          |
| Revaluation reserve                                            |          |                  | 121,540          |                  | 121,540          |
| Other reserves                                                 |          |                  | 4,700            |                  | 4,700            |
| Profit and loss account                                        |          |                  | 727,097          |                  | 663,111          |
| <b>SHAREHOLDERS' FUNDS</b>                                     |          |                  | <u>1,398,637</u> |                  | <u>1,334,651</u> |

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors and authorised for issue on 17/3/08, and are signed on their behalf by

  
MR A WRIGHT

  
MR MW GIBBONS

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

**ALPHA SOLWAY LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2007**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

**Consolidation**

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of long term contracts and contracts for on going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long term contracts and contracts for on going services is recognised by reference to the stage of completion.

**Fixed assets**

All fixed assets are initially recorded at cost.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

|                     |                          |
|---------------------|--------------------------|
| Freehold Property   | 2% straight line         |
| Plant & Machinery   | 10% straight line        |
| Fixtures & Fittings | 10% to 25% straight line |

**Stocks**

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

**Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

# **ALPHA SOLWAY LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2007**

### **1. ACCOUNTING POLICIES** *(continued)*

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

#### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Research and development expenditure**

Research and development expenditure is written off in the profit and loss account in the year in which it is incurred.

# ALPHA SOLWAY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2007

### 2. FIXED ASSETS

|                                             | <b>Tangible<br/>Assets<br/>£</b> | <b>Investments<br/>£</b> | <b>Total<br/>£</b> |
|---------------------------------------------|----------------------------------|--------------------------|--------------------|
| <b>COST OR VALUATION</b>                    |                                  |                          |                    |
| At 1 January 2007                           | 707,598                          | 901,419                  | 1,609,017          |
| Additions                                   | 8,423                            | —                        | 8,423              |
| <b>At 31 December 2007</b>                  | <b>716,021</b>                   | <b>901,419</b>           | <b>1,617,440</b>   |
| <b>DEPRECIATION AND AMOUNTS WRITTEN OFF</b> |                                  |                          |                    |
| At 1 January 2007/written off in year       | 301,522                          | 439,513                  | 741,035            |
| Charge for year                             | 24,000                           | —                        | 24,000             |
| <b>At 31 December 2007</b>                  | <b>325,522</b>                   | <b>439,513</b>           | <b>765,035</b>     |
| <b>NET BOOK VALUE</b>                       |                                  |                          |                    |
| <b>At 31 December 2007</b>                  | <b>390,499</b>                   | <b>461,906</b>           | <b>852,405</b>     |
| At 31 December 2006                         | 406,076                          | 461,906                  | 867,982            |

#### Aggregate capital and reserves

|                         | <b>2007<br/>£</b> | <b>2006<br/>£</b> |
|-------------------------|-------------------|-------------------|
| Vienna Holdings Limited | 33,233            | 33,233            |

The company owns 100% of the issued share capital of Vienna Holdings Limited, a company incorporated in Scotland

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity

### 3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company

|                           | <b>2007<br/>£</b> | <b>2006<br/>£</b> |
|---------------------------|-------------------|-------------------|
| Bank loans and overdrafts | 59,476            | 43,689            |

### 4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

|                           | <b>2007<br/>£</b> | <b>2006<br/>£</b> |
|---------------------------|-------------------|-------------------|
| Bank loans and overdrafts | 184,672           | 228,154           |

Included within creditors falling due after more than one year is an amount of £28,233 (2006 £53,796) in respect of liabilities which fall due for payment after more than five years from the balance sheet date

# **ALPHA SOLWAY LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2007**

### **5. SHARE CAPITAL**

#### **Authorised share capital:**

|                                      | <b>2007</b>         | <b>2006</b>         |
|--------------------------------------|---------------------|---------------------|
|                                      | <b>£</b>            | <b>£</b>            |
| 55,000 Ordinary shares of £0 10 each | <b><u>5,500</u></b> | <b><u>5,500</u></b> |

#### **Allotted, called up and fully paid:**

|                               | <b>2007</b>         |                   | <b>2006</b>         |                   |
|-------------------------------|---------------------|-------------------|---------------------|-------------------|
|                               | <b>No</b>           | <b>£</b>          | <b>No</b>           | <b>£</b>          |
| Ordinary shares of £0 10 each | <b><u>8,000</u></b> | <b><u>800</u></b> | <b><u>8,000</u></b> | <b><u>800</u></b> |