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Malakoff Limited
ABBREVIATED ACCOUNTS
for the year ended
31 December 2004



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COMPANIES HOUSE 29/10/05

Company Registration No. 242516

Malakoff Limited
ABBREVIATED BALANCE SHEET
31 December 2004

	<i>Notes</i>	2004 £	2003 £
FIXED ASSETS	2		
Intangible assets		16,700	18,700
Tangible assets		848,500	917,900
		<u>865,200</u>	<u>936,600</u>
CURRENT ASSETS			
Stocks		255,992	176,229
Debtors		478,553	686,550
Cash at bank and in hand		14,262	717
		<u>748,807</u>	<u>863,496</u>
CREDITORS amounts falling due within one year	3	727,400	736,559
NET CURRENT ASSETS		<u>21,407</u>	<u>126,937</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>886,607</u>	<u>1,063,537</u>
CREDITORS amounts falling due after more than one year	4	498,697	521,944
PROVISIONS FOR LIABILITIES AND CHARGES		21,810	1,810
GOVERNMENT GRANTS	5	264,470	286,070
		<u>101,630</u>	<u>253,713</u>

The Balance sheet continues on the following page.

Malakoff Limited

ABBREVIATED BALANCE SHEET (continued)

31 December 2004

	Notes	2004 £	2003 £
CAPITAL AND RESERVES			
Called up share capital	6	250,000	250,000
Profit and loss account		(148,370)	3,713
SHAREHOLDERS' FUNDS		<u>101,630</u>	<u>253,713</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as 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.

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 on 24 October 2005 and are signed on their behalf by:

A Gould
Director



Malakoff Limited

NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2004

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

TURNOVER

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

AMORTISATION

Amortisation 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:

Goodwill	- 10 years
Intellectual Property	- 10 years

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	- 50 years
Plant & Machinery	- 5 years
Motor Vehicles	- 4 years

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.

HIRE PURCHASE AGREEMENTS

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

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.

Malakoff Limited

NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2004

1 ACCOUNTING POLICIES *(continued)*

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

DEFERRED GOVERNMENT GRANTS

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

2 FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Total £
Cost			
At 1 January 2004	20,000	991,295	1,011,295
Additions	–	66,133	66,133
Disposals	–	(11,600)	(11,600)
At 31 December 2004	<u>20,000</u>	<u>1,045,828</u>	<u>1,065,828</u>
Depreciation			
At 1 January 2004	1,300	73,395	74,695
Charge for year	2,000	127,755	129,755
On disposals	–	(3,822)	(3,822)
At 31 December 2004	<u>3,300</u>	<u>197,328</u>	<u>200,628</u>
Net book value			
At 31 December 2004	<u>16,700</u>	<u>848,500</u>	<u>865,200</u>
At 31 December 2003	<u>18,700</u>	<u>917,900</u>	<u>936,600</u>

3 CREDITORS amounts falling due within one year

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

	2004 £	2003 £
Bank loans and overdrafts	239,433	266,635
Other loans	31,212	–
	<u>270,645</u>	<u>266,635</u>

Malakoff Limited

NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2004

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:

	2004 £	2003 £
Other loans	<u>468,788</u>	<u>500,000</u>

Included within creditors falling due after more than one year is an amount of £245,015 (2003 - £307,380) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

5 GOVERNMENT GRANTS

	2004 £	2003 £
Received and receivable	300,000	300,000
Amortisation	<u>(35,530)</u>	<u>(13,930)</u>
	<u>264,470</u>	<u>286,070</u>

6 SHARE CAPITAL

	2004 £	2003 £
Authorised:		
250,000 Ordinary shares of £1 each	250,000	250,000
50,000 Preference shares of £1 each	<u>50,000</u>	<u>50,000</u>
	<u>300,000</u>	<u>300,000</u>
	2004 £	2003 £
Allotted, called up and fully paid:		
200,000 Ordinary shares of £1 each	200,000	200,000
50,000 Preference shares of £1 each	<u>50,000</u>	<u>50,000</u>
	<u>250,000</u>	<u>250,000</u>

The preference shares are redeemable after 31 December 2004 and before 31 December 2012.