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**METALOCK ENGINEERING UK
LIMITED**

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003



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METALOCK ENGINEERING UK LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

METALOCK ENGINEERING UK LIMITED

CONTENTS

	Page
REPORT OF THE AUDITORS	1
ABBREVIATED BALANCE SHEET	2
NOTES TO THE ABBREVIATED ACCOUNTS	3 - 4

**INDEPENDENT AUDITORS' REPORT TO
METALOCK ENGINEERING UK LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts, which comprise the Abbreviated Balance Sheet and the related notes, together with the financial statements of the company for the year ended 31 December 2003 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

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 accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered 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. 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 financial statements.

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 are properly prepared in accordance with those provisions.

Birmingham, UK

3 March 2004

PKF

PKF
Registered Auditors

METALOCK ENGINEERING UK LIMITED
ABBREVIATED BALANCE SHEET
31 DECEMBER 2003

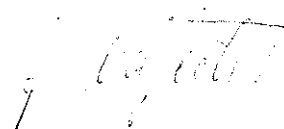
	Notes	2003 £	2002 £
FIXED ASSETS			
Tangible	2	457,062	622,278
CURRENT ASSETS			
Stocks		25,436	36,339
Debtors		702,302	763,055
Cash at bank and in hand		208,632	9,698
		<u>936,370</u>	<u>809,092</u>
CREDITORS: amounts falling due within one year	3	(355,731)	(470,388)
NET CURRENT ASSETS		<u>580,639</u>	<u>338,704</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,037,701</u>	<u>960,982</u>
PROVISIONS FOR LIABILITIES AND CHARGES		(15,382)	(76,481)
NET ASSETS		<u><u>1,022,319</u></u>	<u><u>884,501</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	26,903	26,903
Profit and loss account		995,416	857,598
		<u><u>1,022,319</u></u>	<u><u>884,501</u></u>

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

The abbreviated accounts were approved by the board on 27 February 2004

Signed on behalf of the board of directors

Director 

Director 

METALOCK ENGINEERING UK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

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 comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

Turnover is recognised on completion of work contracted.

(c) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	2.5 %
Plant, machinery, fixtures, fittings & office equipment	7.5 - 33.5 %

Leasehold land and buildings are depreciated over the unexpired term remaining on the lease.

(d) Operating leases

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 and attributable production overheads. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

(f) 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 ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

(g) Deferred taxation

Deferred tax is provided using the full provision method. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax balances are not discounted.

Deferred tax assets are only recognised where they arise from timing differences where their recoverability in the short term is regarded as more likely than not.

(h) Pensions

The company operates a defined contribution pension scheme and the pension charge in the profit and loss account represents the amounts payable by the company to the fund in respect of the year.

METALOCK ENGINEERING UK LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2003

2 TANGIBLE FIXED ASSETS

	£
Cost	
At 1 January 2003	2,050,375
Additions	32,252
At 31 December 2003	<u>2,082,627</u>
Depreciation	
At 1 January 2003	1,428,097
Charge for the year	197,468
At 31 December 2003	<u>1,625,565</u>
Net book amount	
At 31 December 2003	<u>457,062</u>
At 31 December 2002	<u>622,278</u>

3 CREDITORS

Creditors amounting to £44,496 (2002 - £165,535) are secured.

4 SHARE CAPITAL

	Authorised £	Allotted, called up and fully paid No	£
At 1 January 2003 and 31 December 2003			
Ordinary shares of 25p each	<u>35,000</u>	<u>107,612</u>	<u>26,903</u>

5 PARENT UNDERTAKINGS

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is Midroc Holdings AB, a company incorporated in Sweden. Consolidated accounts are available from P O Box 2053 - S174 02 Sundbyberg, Sweden.

In the opinion of the directors this is the company's ultimate parent company.