

GRAY ELECTRICS (STAFFORD) LIMITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
31 AUGUST 2005**

COMPANY NUMBER: 1375295



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01/12/2005

GRAY ELECTRICS (STAFFORD) LIMITED

The following reproduces the text of the accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 5) have been prepared.

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF GRAY ELECTRICS (STAFFORD) LIMITED**

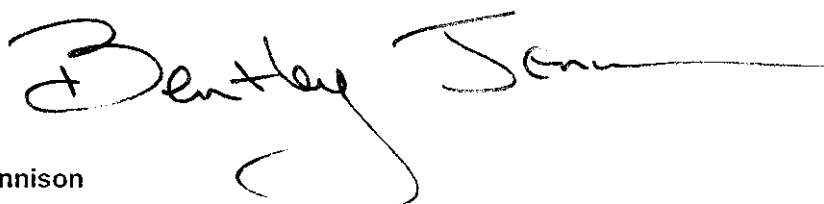
In accordance with the engagement letter dated October 2004, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile financial statements that we have been engaged to compile, report to the Company's board of directors that we have done so, and state those matters that we have agreed to state to them in this 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 and the Company's board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 August 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Bentley Jennison

Chartered Accountants

3 Hollinswood Court
Stafford Park 1
Telford
TF3 3BD

31 October 2005

GRAY ELECTRICS (STAFFORD) LIMITED

ABBREVIATED BALANCE SHEET
As at 31 August 2005

	Note	2005 £	2004 £
FIXED ASSETS			
Tangible fixed assets	2	2,456	4,587
CURRENT ASSETS			
Stocks		9,005	11,836
Debtors	3	60,514	52,516
Cash in hand		30	28
		<u>69,549</u>	<u>64,380</u>
CREDITORS: amounts falling due within one year		<u>(68,605)</u>	<u>(47,495)</u>
NET CURRENT ASSETS		<u>944</u>	<u>16,885</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,400</u>	<u>21,472</u>
CAPITAL AND RESERVES			
Called up share capital	4	500	500
Profit and loss account		2,900	20,972
SHAREHOLDERS' FUNDS		<u>3,400</u>	<u>21,472</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 August 2005 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on *28 October 2005* and signed on its behalf.



S W Gray
Director

The notes on pages 3 to 5 form part of these financial statements.

GRAY ELECTRICS (STAFFORD) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 August 2005

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS1.

1.4 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.5 Tangible fixed assets and depreciation

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:

Plant and equipment	-	10% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	33% straight line

1.6 Pensions

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

GRAY ELECTRICS (STAFFORD) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 August 2005

2. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 September 2004	23,975
Additions	21
	<u>23,996</u>
At 31 August 2005	<u>23,996</u>
Depreciation	
At 1 September 2004	19,388
Charge for the year	2,152
	<u>21,540</u>
At 31 August 2005	<u>21,540</u>
Net book value	
At 31 August 2005	<u>2,456</u>
At 31 August 2004	<u>4,587</u>

3. DEBTORS

Debtors include £- £5,195) falling due after more than one year.

Included within other debtors due within one year is a loan to S W Gray, a director, amounting to £15,918 (2004 - £(1,205)) . The maximum amount outstanding during the year was £nil .

4. SHARE CAPITAL

	2005 £	2004 £
Authorised		
9,000 Ordinary A shares of £1 each	9,000	10,000
1,000 Ordinary B shares of £1 each	1,000	-
	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
450 Ordinary A shares of £1 each	450	500
50 Ordinary B shares of £1 each	50	-
	<u>500</u>	<u>500</u>

GRAY ELECTRICS (STAFFORD) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the year ended 31 August 2005

5. RELATED PARTY TRANSACTIONS

The following transactions took place with Gray Properties, a business controlled by Mr S W Gray and The Bank House Cafe Bar Limited, a company controlled by Mr S W Gray. All were on normal commercial terms in the ordinary course of business.

	2005	2004
	£	£
Sales and services	<u>31,770</u>	<u>19,387</u>

The following loans from the directors were outstanding during the year. Mr S W Gray current account £(15,918) (2004 £1,205).