

**ANTHONY BEST DYNAMICS LIMITED**

**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED  
31 AUGUST 2003**



**INDEPENDENT AUDITORS' REPORT TO ANTHONY BEST DYNAMICS LIMITED**  
**Under section 247B of the Companies Act 1985**

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We have examined the abbreviated accounts of Anthony Best Dynamics Limited for the year ended 31 August 2003 set out on pages 3 to 7, together with the financial statements of the company for the year ended 31 August 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 and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**BASIS OF AUDIT 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 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 on pages 3 to 7 are properly prepared in accordance with those provisions.

**OTHER INFORMATION**

On we reported as auditors to the members of the company on the financial statements prepared under section 226 of the Companies Act 1985 and our audit report was as follows:

We have audited the financial statements of Anthony Best Dynamics Limited for the year ended 31 August 2003 set out on pages . These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities under the historical cost convention and the accounting policies set out on page .

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described in the Statement of directors' responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to

**INDEPENDENT AUDITORS' REPORT TO ANTHONY BEST DYNAMICS LIMITED**  
**Under section 247B of the Companies Act 1985**

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the company's circumstances, consistently applied and adequately disclosed.

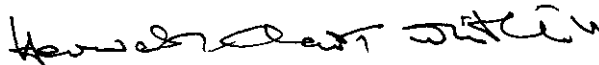
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**QUALIFIED OPINION ARISING FROM NON COMPLIANCE WITH ACCOUNTING STANDARDS**

As disclosed in note 13 to the accounts, the company operates a final salary pension scheme. Accounting standard FRS17 requires disclosure of the assets and liabilities of the scheme, and the assumptions underlying those figures, at the current and previous balance sheet dates. For the reasons set out in note 13, the directors have not provided this information. Since the accounting standard does not require the balance sheets or profit and loss accounts to reflect these scheme assets and liabilities, there is no financial affect on these primary statements as a result of this departure.

Except for the failure of the company to comply with FRS17, as disclosed above, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Horwath Clark Whitehill**  
Chartered Accountants  
Registered Auditors



Carrick House  
Lypiatt Road  
Cheltenham  
Glos  
GL50 2QJ

10 November 2003

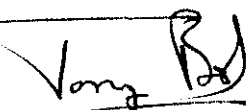
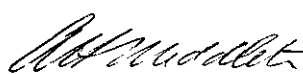
ANTHONY BEST DYNAMICS LIMITED

ABBREVIATED BALANCE SHEET  
As at 31 August 2003

	Note	2003 £	2002 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	2	307,584	662,538
<b>CURRENT ASSETS</b>			
Stocks		357,064	337,305
Debtors		242,425	363,661
Cash at bank		196,049	5,440
		<u>795,538</u>	<u>706,406</u>
<b>CREDITORS:</b> amounts falling due within one year		<u>(326,889)</u>	<u>(523,890)</u>
<b>NET CURRENT ASSETS</b>		<u>468,649</u>	<u>182,516</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>776,233</u>	<u>845,054</u>
<b>CREDITORS:</b> amounts falling due after more than one year	3	(19,000)	(25,000)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
Deferred taxation		(39,587)	(37,417)
<b>NET ASSETS</b>		<u>717,646</u>	<u>782,637</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	132,000	162,000
Share premium account		17,000	49,500
Revaluation reserve		21,667	220,488
Capital redemption reserve		62,500	-
Profit and loss account		484,479	350,649
<b>SHAREHOLDERS' FUNDS</b>		<u>717,646</u>	<u>782,637</u>

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 10 Nov 2003 and signed on its behalf.

Director

The notes on pages 4 to 7 form part of these financial statements.

**NOTES TO THE ABBREVIATED ACCOUNTS**  
For the year ended 31 August 2003

**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 as modified by the revaluation of test equipment 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 Turnover**

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

**1.4 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:

Freehold land and buildings	-	2%	straight line
Test equipment	-	10-20%	straight line
Propietarial equipment	-	20%	straight line
Plant and machinery	-	10%	straight line
Motor vehicles	-	25%	reducing balance
Fixtures and fittings	-	10%	straight line
Computers	-	25%	straight line
Software	-	10%	straight line
In house software	-	33.3%	straight line
General equipment	-	10%	straight line

**1.5 Revaluation of tangible fixed assets**

As permitted by the transitional provisions of the Financial Reporting Standard for Smaller Entities (effective June 2002) the company has elected not to adopt a policy of revaluation of tangible fixed assets.

**1.6 Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term.

**1.7 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**NOTES TO THE ABBREVIATED ACCOUNTS**  
**For the year ended 31 August 2003**

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**1. ACCOUNTING POLICIES (continued)**

**1.8 Deferred taxation**

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for timing differences arising on revaluations of fixed assets which are not intended to be sold and gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

**1.9 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.

**1.10 Pensions**

The company operates a stakeholder pension scheme from 1st January 2002.

**NOTES TO THE ABBREVIATED ACCOUNTS**  
For the year ended 31 August 2003

**2. TANGIBLE FIXED ASSETS**

	£
<b>Cost or valuation</b>	
At 1 September 2002	1,689,947
Additions	90,336
Disposals	(553,794)
	<u>1,226,489</u>
At 31 August 2003	
<b>Depreciation</b>	
At 1 September 2002	1,027,409
Charge for the year	93,665
On disposals	(202,169)
	<u>918,905</u>
At 31 August 2003	
<b>Net book value</b>	
At 31 August 2003	<u>307,584</u>
At 31 August 2002	<u>662,538</u>

**3. CREDITORS**

The bank overdraft is secured by a debenture dated 25 June 1998 over the assets of the company in favour of Bank of Scotland.

**4. SHARE CAPITAL**

	2003 £	2002 £
<b>Authorised</b>		
170,000 Ordinary shares of £1 each	170,000	140,000
Ordinary 'A' shares of £1 each	-	30,000
	<u>170,000</u>	<u>170,000</u>
<b>Allotted, called up and fully paid</b>		
132,000 Ordinary shares of £1 each	132,000	132,000
Ordinary 'A' shares of £1 each	-	30,000
	<u>132,000</u>	<u>162,000</u>

During the year, the company purchased 30,000 Ordinary 'A' shares for £130,000 from 3i.

ANTHONY BEST DYNAMICS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS  
For the year ended 31 August 2003

5. RELATED PARTY TRANSACTIONS

Loans have been made to the company by the following directors :-

	2003	2002
	£	£
A Best	-	6,000
A Best & N Best	34,552	29,552
A H Middleton	21,786	31,786
S J Needs	10,000	10,000

The loans bear interest at 2% and 3.5% above base rate for loans less than one year and loans greater than one year respectively. During the year it was agreed that interest rates will be fixed at 6% and 7.5% respectively when the base rate falls below 4%.