

TKS LIMITED

ABBREVIATED ACCOUNTS

**FOR THE YEAR ENDED
31 MAY 2003**



TKS LIMITED

ABBREVIATED BALANCE SHEET
As at 31 May 2003

	Note	2003	2002
		£	£
FIXED ASSETS			
Tangible fixed assets	2	-	477
Investments	3	595,706	599,122
		<u>595,706</u>	<u>599,599</u>
CURRENT ASSETS			
Debtors		1,756	1,561
Cash at bank		27,120	8,268
		<u>28,876</u>	<u>9,829</u>
CREDITORS: amounts falling due within one year		<u>(57,785)</u>	<u>(55,827)</u>
NET CURRENT LIABILITIES		<u>(28,909)</u>	<u>(45,998)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>566,797</u>	<u>553,601</u>
CREDITORS: amounts falling due after more than one year		<u>(209,275)</u>	<u>(247,575)</u>
NET ASSETS		<u><u>357,522</u></u>	<u><u>306,026</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	10	10
Profit and loss account		357,512	306,016
SHAREHOLDERS' FUNDS - All Equity		<u><u>357,522</u></u>	<u><u>306,026</u></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 May 2003 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 24 May 2004 and signed on its behalf.

Director

The notes on pages 2 to 4 form part of these financial statements.

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 May 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 and are prepared in accordance with applicable accounting standards.

1.2 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.3 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:

Office equipment	-	25% straight line
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1.4 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 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.

1.5 Investment Properties

The freehold properties are treated as investment properties within the provision of SSAP19 'Accounting for Investment Properties'. In accordance with the SSAP:-

(i) investment properties are revalued annually and the aggregate surplus or deficit is transferred to the revaluation reserve

(ii) no depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

This is a departure from the requirements of the Companies Act 1985 which requires that assets which have a finite useful life to be depreciated where their cost (or valuation) is greater than their residual value (as assessed at the date of acquisition or revaluation). The directors consider that, following the reasoning of SSAP19, depreciating the assets would not give a true and fair view because they are held for investment and not consumption. Consequently the current value of these investments, and changes in that current value, are of prime importance in assessing the financial position rather than a calculation of systematic annual depreciation and therefore the accounting policy adopted results in the accounts giving a true and fair view. Depreciation or amortisation is only one of the main factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

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

2. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 June 2002 and 31 May 2003	<u>15,923</u>
Depreciation	
At 1 June 2002	15,446
Charge for the year	477
	<u>15,923</u>
Net book value	
At 31 May 2003	<u>-</u>
At 31 May 2002	<u>477</u>

3. FIXED ASSET INVESTMENTS

	£
Cost	
At 1 June 2002	599,122
Disposals	(3,416)
	<u>595,706</u>
At 31 May 2003	<u>595,706</u>

4. SHARE CAPITAL

	2003 £	2002 £
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
10 Ordinary shares of £1 each	<u>10</u>	<u>10</u>

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

5. TRANSACTIONS WITH DIRECTORS

During the year the company entered into transactions with Headway Plc, a company of which J Lees is a director. Transactions during the year were:

	2003 £	2002 £
Directors fees invoiced	18,292	17,513
Consultancy fees invoiced	<u>6,412</u>	<u>8,582</u>
	<u>24,704</u>	<u>26,095</u>