

# **INN-HOUSE TECHNOLOGY LIMITED**

Company Number: 02636045

**ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 AUGUST 2005**



# INN-HOUSE TECHNOLOGY LIMITED

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**INDEPENDENT AUDITORS' REPORT TO  
INN-HOUSE TECHNOLOGY 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 August 2005 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, as a body, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state in an auditors' 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 as a body, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The director is 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.

30/6/06

Ipswich, UK

*PKF (UK) LLP*

**PKF (UK) LLP**  
Registered Auditors

# INN-HOUSE TECHNOLOGY LIMITED

## ABBREVIATED BALANCE SHEET

31 AUGUST 2005

	Notes	2005 £	2004 £
<b>FIXED ASSETS</b>			
Tangible	2	723,240	641,139
<b>CURRENT ASSETS</b>			
Stocks		105,398	160,830
Debtors	3	413,162	370,325
Cash at bank and in hand		433,328	241,562
		<u>951,888</u>	<u>772,717</u>
<b>CREDITORS: amounts falling due within one year</b>	4	(653,751)	(518,566)
<b>NET CURRENT ASSETS</b>		<u>298,137</u>	<u>254,151</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,021,377</u>	<u>895,290</u>
<b>CREDITORS: amounts falling due after more than one year</b>	4	(48,929)	(58,696)
<b>NET ASSETS</b>		<u><u>972,448</u></u>	<u><u>836,594</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	5	25,000	25,000
Profit and loss account		947,448	811,594
		<u><u>972,448</u></u>	<u><u>836,594</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

Signed on behalf of the board of directors

D Critchley

Director



12/6/06

# INN-HOUSE TECHNOLOGY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS YEAR ENDED 31 AUGUST 2005

### 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) and the Statement of Recommended Accounting Practice for the asset finance and leasing industry.

#### (b) Turnover

Turnover comprises of income generated from equipment sales and installation, equipment rentals, maintenance contracts and finance charges in respect of hire purchase agreements in existence during the year.

Equipment purchased outright is invoiced in the month of sale and the turnover is recognised upon delivery. Equipment purchased under hire purchase agreements is invoiced monthly over the term of the agreement but turnover in respect of the sale of the equipment is recognised upon delivery.

Income from hire purchase agreements is credited to the profit and loss account using the sum of digits basis to calculate interest due over the term of the agreement. This method is considered appropriate as an estimation of the interest element of repayments over the period of the agreement in proportion to the capital balance outstanding. Hire purchase agreements are for either twelve or twenty four months in duration.

Income from rental service agreements (operating lease agreements) is invoiced monthly on a straight line basis over the contract term of one to four years.

Income from servicing and installation is invoiced annually, quarterly or monthly in advance and turnover is recognised in the month that the work relates to.

#### (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:

Leasehold land & buildings	2 % straight line
Plant & machinery etc	10 - 50 % straight line
Motor vehicles	25 % reducing balance
Leasehold improvements	20 % straight line

#### (d) Finance and operating leases

Assets acquired under finance leases or hire purchase are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease on a straight line basis.

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 net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

#### (f) Deferred taxation

The company has a policy of full provision for deferred tax assets and liabilities in respect of all timing differences except for certain exemptions as set out in the Financial Reporting Standard for Smaller Entities (June 2002). 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. Deferred tax balances are not discounted.

**INN-HOUSE TECHNOLOGY LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2005**

**1 ACCOUNTING POLICIES (continued)**

**(g) 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.

**(h) Finance lease agreements**

The net investment in finance lease agreements is included in debtors.

**2 TANGIBLE FIXED ASSETS**

	£
<b>Cost</b>	
At 1 September 2004	1,088,959
Additions	313,657
Disposals	(80,983)
	<hr/> 1,321,633 <hr/>
At 31 August 2005	
<b>Depreciation</b>	
At 1 September 2004	447,820
Charge for the year	182,829
On disposals	(32,256)
	<hr/> 598,393 <hr/>
At 31 August 2005	
<b>Net book amount</b>	
At 31 August 2005	<hr/> <b>723,240</b> <hr/>
At 31 August 2004	<hr/> 641,139 <hr/>

**3 DEBTORS**

Included in debtors are hire purchase and finance lease receivables of £25,738 (2004: £27,272) and the net deferred tax asset of £18,559 (2004: £13,006) both falling due after more than one year from the balance sheet date.

The cost of assets acquired for the purpose of letting under hire purchase and finance lease agreements was £56,920 (2004: £66,283).

All future hire purchase and finance lease agreement receivables are net of income allocated to future periods of £32,699 (2004: £34,703).

The aggregate rentals received in respect of hire purchase and finance lease agreements was £156,722 (2004: £169,228).

**4 CREDITORS**

Creditors amounting to **£58,869** (2004 - £70,811) are secured.

**INN-HOUSE TECHNOLOGY LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 AUGUST 2005**

**5 SHARE CAPITAL**

	Authorised £	Allotted, called up and fully paid No	£
At 1 September 2004 and 31 August 2005 Ordinary shares of £1 each	100,000	25,000	25,000