

MBS Limited

**Financial Report
and Accounts
for the year ended**

31st December 2003



MBS Limited

Company number	3009093
Directors	M T Wearden M E Wearden
Company secretary	M T Wearden
Registered office	8 Somersby Green Boston Lincolnshire
Accountants	Duncan & Toplis 18 Northgate Sleaford Lincolnshire

MBS Limited

Report of the directors

For the year ended 31st December 2003

The directors present their report on the affairs of the company together with the accounts for the year ended 31st December 2003.

Principal activity and business review

The company's principal activity is that of the provision of management consultancy services, together with the training and development of management skills. The directors are pleased to report continued success and profitability.

Results and appropriations

The results for the year are set out on page 4.

No interim dividend was paid. The directors recommend the payment of a final dividend of £400 per ordinary share and propose that the balance of unappropriated profits of £43 be transferred to reserves.

Future developments

The directors expect the company to continue to maintain its position in the market place.

Directors

The directors of the company during the period and their beneficial interests in the issued share capital of the company at the beginning of the year were as follows

	Ordinary shares of £1 each	
	2003	2002
M T Wearden	10	10
M E Wearden	10	10

Statement of directors responsibilities

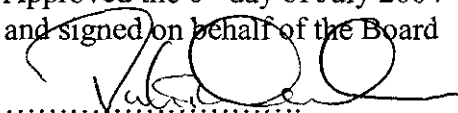
Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for the period.

In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved the 6th day of July 2004
and signed on behalf of the Board


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M T Wearden
Director

MBS Limited

Profit and loss account for the year ended 31st December 2003

	£	2003 £	£	2002 £
Turnover		122,135		114,929
Administrative expenses		(113,591)		(106,664)
Operating profit		8,544		8,265
Other interest receivable and similar income	68		117	
Interest payable and similar charges	(5)	63	(805)	(688)
Profit on ordinary activities before taxation		8,607		7,577
Tax on ordinary activities		(564)		(376)
Profit for the financial year		8,043		7,201
Dividends		(8,000)		(7,000)
Retained profit for the year		£ 43		£ 201

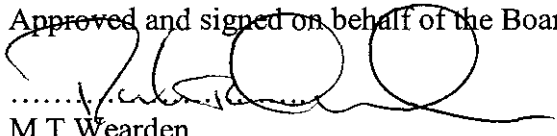
MBS Limited

Balance Sheet as at 31st December 2003

	2003	2002
£	£	£
Fixed assets		
Tangible assets	8,902	24,605
Current assets		
Debtors	17,969	12,623
Cash at bank and in hand	<u>7,137</u>	<u>7,271</u>
	25,106	19,894
Creditors		
Amounts falling due within one year	<u>(27,602)</u>	<u>(38,136)</u>
Net current liabilities	(2,496)	(18,242)
Creditors		
Amounts falling due after one year	0	0
Total assets less current liabilities	6,406	6,363
Capital and reserves		
Called up share capital	20	20
Profit and loss account	6,386	6,343
	6,406	6,363

- i. For the financial year ended 31st December 2003, the company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985;
- ii. No notice from members requiring an audit has been deposited under section 249B(2) of the Companies Act 1985;
- iii. The Directors acknowledge their responsibility for
 - a. ensuring the company keeps accounting records which comply with section 221 of the Companies Act 1985, and;
 - b. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit and loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company, and;
 - c. preparing the accounts in accordance with the special provisions in Part VII of the Companies Act 1985 relating to small companies.

Approved and signed on behalf of the Board, 6th July 2004


M T Wearden
Director

MBS Limited

Notes to the accounts

1. ACCOUNTING POLICIES

Accounting Convention

The accounts have been prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard 1 from producing a cashflow statement on the grounds that it is a small company

Tangible Fixed Assets

Depreciation is provided at rates calculated to write off the cost or valuation of assets, less estimated residual values, over their estimated useful lives. The rates used are as follows:

Motor Vehicles	25% straight line
Office Equipment	25% straight line

Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Turnover

Turnover comprises the net invoiced value of goods and services supplied by the company, excluding value added tax

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

2. TURNOVER

Turnover is all attributable to the principal activity and all arises in the United Kingdom

3. OPERATING PROFIT

The operating profit is stated after charging	2003	2002
	£	£
Depreciation on own tangible assets	7528	12214

MBS Limited

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Employee costs including directors' remuneration during the year	2003 £	2002 £
Wages and salaries	70500	64900
Social security costs	8811	7266
Other pension costs	3000	4250

The average number of employees including directors during the year was as follows
Administration

No	No
2	2

5. DIRECTORS' REMUNERATION

	£	£
Emoluments for services as directors	70500	64900
Pension contributions paid to acquire money purchase benefits	3000	4250

There are two directors to whom retirement benefits are accruing under money purchase retirement benefits schemes.

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2003 £	2002 £
Bank overdrafts	nil	nil
Other loans	5	786

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2003 £	2002 £
UK corporation tax at 10%	564	376

8. DIVIDENDS

	2003 £	2002 £
Ordinary shares – final proposed	8000	7000

MBS Limited

9. TANGIBLE ASSETS

	Motor vehicles £	Office equipment £	Total £
COST			
At 1 st January 2003	37,905	22,264	60,169
Additions		1,700	1,700
Disposals	(19,750)		(19,750)
At 31 st December 2003	18,155	23,964	42,119
DEPRECIATION			
At 1 st January 2003	18,952	16,612	35,564
Charge for the year	4,539	2,989	7,528
Charge for disposals in year	(9,875)		(9,875)
At 31 st December 2003	13,616	19,601	33,217
NET BOOK VALUE			
At 1 st January 2003	18,953	5,652	24,605
At 31 st December 2003	4,539	4,363	8,902

10. DEBTORS

	2003 £	2002 £
<i>Amounts falling due within one year</i>		
Trade debtors	17969	12623

11. CREDITORS

	2003 £	2002 £
<i>Amounts falling due within one year</i>		
Trade creditors	1097	1317
Other taxation and social security costs	7602	7773
Accruals and prepaid income	8960	19540
Director's current account	1690	2248
Corporation tax	253	258
Dividend accrual	<u>8000</u>	<u>7000</u>
	27602	38136

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12. SHARE CAPITAL	2003	2002
	£	£
Authorised Ordinary shares of £1 each	100	100
Issued and fully paid Ordinary shares of £1 each	20	20

13. PROFIT AND LOSS ACCOUNT

	£
At 1 st January 2003	6343
Add profit for the financial year	43
At 31st December 2003	6386

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

There were no movements in shareholders funds other than those disclosed in note 13.

15. CONTROLLING PARTY

The company is controlled by a director/shareholder, M.T.Wearden, whose services the company markets.

16. PENSION SCHEME

The company operates two defined contribution non-contributory pension schemes, one for each director.