

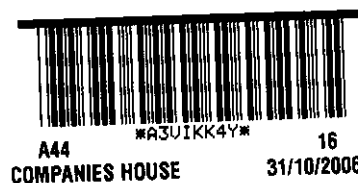
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**PENCILFISH LIMITED**

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**ABBREVIATED ACCOUNTS**

**For the year ended 31 March 2006**



**LAKIN ROSE**  
CHARTERED ACCOUNTANTS

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## PENCILFISH LIMITED

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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 6) have been prepared.

### **ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF PENCILFISH LIMITED**

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In accordance with the engagement letter dated 28 February 2003, 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 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 the 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 March 2006 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 .

*Lakin Rose Limited*

#### **Lakin Rose Limited**

Chartered Accountants

Pioneer House  
Vision Park  
Histon  
Cambridge  
CB4 9NL

*26 October 2006*

**PENCILFISH LIMITED**

**ABBREVIATED BALANCE SHEET**  
**As at 31 March 2006**

	Note	£	2006	£	£	2005	£
<b>FIXED ASSETS</b>							
Intangible fixed assets	2			6,000			9,000
Tangible fixed assets	3			2,732			2,991
				<u>8,732</u>			<u>11,991</u>
<b>CURRENT ASSETS</b>							
Debtors	4	18,638			26,347		
Cash at bank		21,221			7,898		
		<u>39,859</u>			<u>34,245</u>		
<b>CREDITORS:</b> amounts falling due within one year				<u>(34,660)</u>			<u>(43,393)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>				<u>5,199</u>			<u>(9,148)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<u>13,931</u>			<u>2,843</u>
<b>CREDITORS:</b> amounts falling due after more than one year				<u>(1,260)</u>			<u>(4,815)</u>
<b>NET ASSETS/(LIABILITIES)</b>				<u>£ 12,671</u>			<u>£ (1,972)</u>
<b>CAPITAL AND RESERVES</b>							
Called up share capital	5			2			2
Profit and loss account				12,669			(1,974)
<b>SHAREHOLDERS' FUNDS</b>				<u>£ 12,671</u>			<u>£ (1,972)</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 Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2006 and of its profit for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the company.

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**PENCILFISH LIMITED**

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**ABBREVIATED BALANCE SHEET (continued)**  
**As at 31 March 2006**

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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 and authorised for issue by the board and were signed on its behalf on 26/10/06



**G D Hurst**  
Director

The notes on pages 4 to 6 form part of these financial statements.

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## PENCILFISH LIMITED

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### NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2006

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#### 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 January 2005).

##### 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 January 2005).

##### 1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

##### 1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

##### 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:

Leasehold improvements	-	12.5%	straight line
Fixtures and fittings	-	10%	straight line
Office equipment	-	25%	straight line

##### 1.6 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

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PENCILFISH LIMITED

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NOTES TO THE ABBREVIATED ACCOUNTS  
For the year ended 31 March 2006

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1. ACCOUNTING POLICIES (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2. INTANGIBLE FIXED ASSETS

	£
<b>Cost</b>	
At 1 April 2005 and 31 March 2006	15,000
<b>Amortisation</b>	
At 1 April 2005	6,000
Charge for the year	3,000
At 31 March 2006	9,000
<b>Net book value</b>	
At 31 March 2006	£ 6,000
At 31 March 2005	£ 9,000

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PENCILFISH LIMITED

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NOTES TO THE ABBREVIATED ACCOUNTS  
For the year ended 31 March 2006

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3. TANGIBLE FIXED ASSETS

	£
<b>Cost</b>	
At 1 April 2005	7,282
Additions	732
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At 31 March 2006	8,014
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<b>Depreciation</b>	
At 1 April 2005	4,291
Charge for the year	991
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At 31 March 2006	5,282
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<b>Net book value</b>	
At 31 March 2006	£ 2,732
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At 31 March 2005	£ 2,991
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4. DEBTORS

Included within other debtors due within one year is a loan to G D Hurst, a director, amounting to £2,706 (2005 - £NIL). The maximum amount outstanding during the year was £9,056.

5. SHARE CAPITAL

	2006 £	2005 £
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	£ 1,000	£ 1,000
	<hr/>	<hr/>
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares of £1 each	£ 2	£ 2
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