

MERSEYSIDE SHIP STORES LIMITED

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2004**



MERSEYSIDE SHIP STORES LIMITED

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 5) have been prepared.

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF MERSEYSIDE SHIP STORES LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the period ended 31 March 2004 set out on pages 3 to 14 and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records of the company and from information and explanations supplied to us.



Langtons

Chartered Accountants

Number One
Old Hall Street
Liverpool
L3 9HF

21 May 2004

MERSEYSIDE SHIP STORES LIMITED

ABBREVIATED BALANCE SHEET As at 31 March 2004

	Note	31 March 2004	£
FIXED ASSETS			
Intangible fixed assets	2		144,000
Tangible fixed assets	3		67,831
			<u>211,831</u>
CURRENT ASSETS			
Stocks		75,778	
Debtors		270,261	
Cash at bank and in hand		21,264	
			<u>367,303</u>
CREDITORS: amounts falling due within one year			<u>(423,228)</u>
NET CURRENT LIABILITIES			<u>(55,925)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>155,906</u>
CREDITORS: amounts falling due after more than one year	4		(105,154)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation			(3,722)
NET ASSETS			<u>£ 47,030</u>
CAPITAL AND RESERVES			
Called up share capital	5		20,000
Profit and loss account			27,030
SHAREHOLDERS' FUNDS - All Equity			<u>£ 47,030</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 period 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 March 2004 and of its profit for the period 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 21 May 2004 and signed on its behalf.



R. R. Grigor
Director

The notes on pages 3 to 5 form part of these financial statements.

MERSEYSIDE SHIP STORES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the period ended 31 March 2004

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 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, 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 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:

Plant & machinery	-	20%	straight line
Motor vehicles	-	25% -33.33%	straight line
Office equipment	-	20%	straight line
Computer equipment	-	33.33%	straight line

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.7 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.

1.8 Stocks

Stocks 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.

MERSEYSIDE SHIP STORES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the period ended 31 March 2004

1.9 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.

1.10 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.

1.11 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 period.

2. INTANGIBLE FIXED ASSETS

	£
Cost	
At 5 December 2002	-
Additions	160,000
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At 31 March 2004	160,000
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Amortisation	
At 5 December 2002	-
Charge for the period	16,000
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At 31 March 2004	16,000
	<hr/>
Net book value	
At 31 March 2004	£ 144,000
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MERSEYSIDE SHIP STORES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the period ended 31 March 2004

3. TANGIBLE FIXED ASSETS

	£
Cost	
Additions	88,780
Disposals	(3,500)
	<u> </u>
At 31 March 2004	85,280
	<u> </u>
Depreciation	
Charge for the period	17,449
	<u> </u>
At 31 March 2004	17,449
	<u> </u>
Net book value	
At 31 March 2004	£ 67,831
	<u> </u>

4. CREDITORS

Creditors include amounts not wholly repayable within 5 years as follows:

	31 March 2004 £
Repayable by instalments	£ 33,910
	<u> </u>

Other loans amounting to £40,833 are secured by a personal guarantee by the directors of the company.

Bank loans and overdrafts amounting to £71,049 are secured by a fixed and floating charge over the assets of, the company and a personal guarantee by the directors of the company.

Bank loans and overdrafts amounting to £63,442 are secured on the book debts of the company.

Net obligations under finance leases and hire purchase contracts amounting to £26,810 are secured on the assets concerned.

5. SHARE CAPITAL

	31 March 2004 £
Authorised	
1,000,000 Ordinary shares of £1 each	£ 1,000,000
	<u> </u>
Allotted, called up and fully paid	
20,000 Ordinary shares of £1 each	£ 20,000
	<u> </u>

20,000 Ordinary shares were issued in the year for consideration amounting to £20,000.