

Chartered Accountants

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for practical solutions



Ballard Dale Syree Watson LLP

Oakmoore Court

Kingswood Road

Hampton Lovett

Droitwich Spa

Worcestershire

WR9 0QH

REGISTERED NUMBER: 46450 (England and Wales)

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2005

FOR

UNDERWOOD & COMPANY LTD



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Ballard Dale Syree Watson LLP is a limited liability partnership registered in England with registered no: OC302548

Members: G W Ballard D B Dale J A Syree M A Watson Consultants: M J Bolton J A Randall

Registered to carry out audit work and regulated for a range of investment business activities by the Institute of Chartered Accountants in England & Wales

UNDERWOOD & COMPANY LTD

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FOR THE YEAR ENDED 31 DECEMBER 2005**

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UNDERWOOD & COMPANY LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2005

DIRECTORS: R F Underwood
D P Underwood

SECRETARY: R F Underwood

REGISTERED OFFICE: Unit 16
Shrub Hill Industrial Estate
Worcester
Worcestershire
WR4 9EL

REGISTERED NUMBER: 46450 (England and Wales)

AUDITORS: Ballard Dale Syree Watson LLP
Chartered Accountants
Registered Auditors
Kingswood Road
Hampton Lovett
Droitwich Spa
Worcestershire WR9 0QH

**REPORT OF THE INDEPENDENT AUDITORS TO
UNDERWOOD & COMPANY LTD
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages three to five, together with the financial statements of Underwood & Company Ltd for the year ended 31 December 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, 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 to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are 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 abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider 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.

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 have been properly prepared in accordance with those provisions.

Ballard Dale Syree Watson LLP

Ballard Dale Syree Watson LLP
Chartered Accountants
Registered Auditors
Kingswood Road
Hampton Lovett
Droitwich Spa
Worcestershire WR9 0QH

Date: 20/12/2006.....

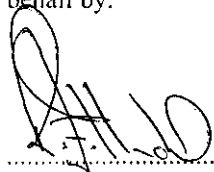
UNDERWOOD & COMPANY LTD

**ABBREVIATED BALANCE SHEET
31 DECEMBER 2005**

		2005		2004	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		2,212,000		2,500,000
Investments	3		253,206		253,206
			<u>2,465,206</u>		<u>2,753,206</u>
CURRENT ASSETS:					
Debtors	4	266,585		245,401	
Cash at bank		480,371		210,014	
		<u>746,956</u>		<u>455,415</u>	
CREDITORS: Amounts falling due within one year		<u>131,864</u>		<u>144,886</u>	
NET CURRENT ASSETS:			<u>615,092</u>		<u>310,529</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£3,080,298</u>		<u>£3,063,735</u>
CAPITAL AND RESERVES:					
Called up share capital	5		9,656		9,656
Revaluation reserve			249,324		329,480
Other reserves			12,250		12,250
Profit and loss account			<u>2,809,068</u>		<u>2,712,349</u>
SHAREHOLDERS' FUNDS:			<u>£3,080,298</u>		<u>£3,063,735</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the Board of Directors on18/10/2006..... and were signed on its behalf by:



.....
R F Underwood - Director

The notes form part of these abbreviated accounts

UNDERWOOD & COMPANY LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets and depreciation

The freehold property is treated as an investment property and is therefore not depreciated.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Group accounts

The company is entitled to exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST OR VALUATION:	
At 1 January 2005	2,500,000
Disposals	(340,000)
Surplus on revaluation	52,000
	<hr/>
At 31 December 2005	2,212,000
	<hr/>
NET BOOK VALUE:	
At 31 December 2005	2,212,000
	<hr/>
At 31 December 2004	2,500,000
	<hr/>

3. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 January 2005	
and 31 December 2005	253,206
	<hr/>
NET BOOK VALUE:	
At 31 December 2005	253,206
	<hr/>
At 31 December 2004	253,206
	<hr/>

UNDERWOOD & COMPANY LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

3. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Underwood Steel Stockholders Ltd

Nature of business: Steel stockholders and fabricators

	%		
Class of shares:	holding		
Ordinary	100.00		
		2005	2004
		£	£
Aggregate capital and reserves		296,530	294,911
Profit for the year		1,619	162,299
		<u> </u>	<u> </u>

4. DEBTORS FALLING DUE AFTER MORE THAN ONE YEAR

	2005	2004
	£	£
Amount owed by group undertakings	150,000	150,000
	<u>150,000</u>	<u>150,000</u>

5. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2005	2004
			£	£
7,311	Ordinary shares	£1	7,311	7,311
2,689	Preference shares	£1	2,689	2,689
			<u>10,000</u>	<u>10,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005	2004
			£	£
6,967	Ordinary shares	£1	6,967	6,967
2,689	Preference shares	£1	2,689	2,689
			<u>9,656</u>	<u>9,656</u>