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REGISTERED NUMBER: 46450 (England and Wales)

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2007

FOR

UNDERWOOD & COMPANY LIMITED



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

Members GW Ballard DB Dale EH Peters JA Syree MA Watson Consultants MJ Bolton JA Randall

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UNDERWOOD & COMPANY LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2007**

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UNDERWOOD & COMPANY LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2008

DIRECTORS: R F Underwood
D P Underwood

SECRETARY: R F Underwood

REGISTERED OFFICE: The Steel Centre
Wainwright Road
Worcester
Worcestershire
WR4 9FA

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 LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages three to six, together with the financial statements of Underwood & Company Limited for the year ended 31 December 2007 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 LL.P.

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

Date *15th September 2008*

UNDERWOOD & COMPANY LIMITED

**ABBREVIATED BALANCE SHEET
31 DECEMBER 2007**

		2007	2006
	Notes	£	£
FIXED ASSETS			
Tangible assets	2	5,509,190	2,650,000
Investments	3	250,350	253,206
		<u>5,759,540</u>	<u>2,903,206</u>
CURRENT ASSETS			
Debtors	4	880,332	495,486
Cash at bank		157,991	256,930
		<u>1,038,323</u>	<u>752,416</u>
CREDITORS			
Amounts falling due within one year	5	774,732	95,532
NET CURRENT ASSETS		<u>263,591</u>	<u>656,884</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,023,131</u>	<u>3,560,090</u>
CREDITORS			
Amounts falling due after more than one year	5	2,662,689	2,689
NET ASSETS		<u><u>3,360,442</u></u>	<u><u>3,557,401</u></u>
CAPITAL AND RESERVES			
Called up share capital	6	6,967	6,967
Revaluation reserve		687,324	687,324
Capital redemption reserve		10,000	10,000
Other reserves		2,250	2,250
Profit and loss account		2,653,901	2,850,860
SHAREHOLDERS' FUNDS		<u><u>3,360,442</u></u>	<u><u>3,557,401</u></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

The financial statements were approved by the Board of Directors on its behalf by



R F Underwood - Director

13th August 2008 and were signed on

The notes form part of these abbreviated accounts

UNDERWOOD & COMPANY LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007

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 2007)

Turnover

Turnover represents management charges received from a subsidiary company in relation to the recharge of directors remuneration and other appropriate costs excluding value added tax for work on behalf of the subsidiary company

Other income is principally made up of rental income received in relation to the company's freehold properties

Tangible fixed assets and depreciation

The freehold properties are treated as investment properties and are 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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

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 2007	2,650,000
Additions	2,859,190
	<hr/>
At 31 December 2007	5,509,190
	<hr/>
NET BOOK VALUE	
At 31 December 2007	5,509,190
	<hr/>
At 31 December 2006	2,650,000
	<hr/>

UNDERWOOD & COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued **FOR THE YEAR ENDED 31 DECEMBER 2007**

3 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 January 2007	253,206
Additions	250,000
Disposals	(2,856)
	<u>500,350</u>
At 31 December 2007	<u>500,350</u>
PROVISIONS	
Provision for year	250,000
	<u>250,000</u>
At 31 December 2007	<u>250,000</u>
NET BOOK VALUE	
At 31 December 2007	<u>250,350</u>
At 31 December 2006	<u>253,206</u>

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

Underwood Steel Stockholders Ltd

Nature of business Steel stockholders and fabricators

	%		
Class of shares	holding	2007	2006
Ordinary	100 00	£	£
Aggregate capital and reserves		177,658	91,123
Loss for the year		<u>(163,465)</u>	<u>(204,886)</u>

4 DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007	2006
	£	£
Amount owed by group undertakings	<u>150,000</u>	<u>150,000</u>

5 CREDITORS

The following secured debts are included within creditors

	2007	2006
	£	£
Bank overdraft	489,138	-
Bank loans	<u>2,800,000</u>	-
	<u>3,289,138</u>	<u>-</u>

UNDERWOOD & COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued **FOR THE YEAR ENDED 31 DECEMBER 2007**

5 CREDITORS - continued

Creditors include the following debts falling due in more than five years

	2007 £	2006 £
Repayable otherwise than by instalments		
Preference shares	<u>2,689</u>	<u>2,689</u>
Repayable by instalments		
Bank loans more 5 yr by instal	<u>2,100,000</u>	<u>-</u>

Details of shares shown as liabilities are as follows

Authorised, allotted, issued and fully paid				
Number	Class	Nominal value	2007 £	2006 £
2,689	Preference shares	£1	<u>2,689</u>	<u>2,689</u>

6 CALLED UP SHARE CAPITAL

Authorised				
Number	Class	Nominal value	2007 £	2006 £
7,311	Ordinary shares	£1	<u>7,311</u>	<u>7,311</u>

Allotted, issued and fully paid				
Number	Class	Nominal value	2007 £	2006 £
6,967	Ordinary shares	£1	<u>6,967</u>	<u>6,967</u>

7 PRIOR YEAR ADJUSTMENT

In line with FRS 25 the balance sheet for the year ended 31 December 2006 has been restated to move £2,689 of preference shares from share capital to creditors over one year