

W & J SMITH (METAL STOCKISTS) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

31 MAY 1997

Company Registration No. 789605



W & J SMITH (METAL STOCKISTS) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

31 MAY 1997

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AUDITORS' REPORT

TO W & J SMITH (METAL STOCKISTS) LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 2 to 5, together with the statutory financial statements of the company for the year ended 31 May 1997 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the statutory financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the statutory financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 5 are properly prepared in accordance with that provision.

Garratt & Co

Garratt & Co
Registered Auditors
Chartered Accountants
79/81 High Street
Albrighton
Wolverhampton
WV7 3JP
24th March 1998

W & J SMITH (METAL STOCKISTS) LIMITED

ABBREVIATED BALANCE SHEET

31 MAY 1997

	<u>Note</u>	<u>1997</u> £	<u>1996</u> £
FIXED ASSETS			
Tangible assets	2	9,855	11,851
CURRENT ASSETS			
Stocks		23,000	21,000
Debtors		64,902	48,734
Cash and bank balances		108	1,615
		88,010	71,349
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	3	(65,329)	(53,655)
NET CURRENT ASSETS		22,681	17,694
TOTAL ASSETS LESS CURRENT LIABILITIES		32,536	29,545
PROVISIONS FOR LIABILITIES AND CHARGES		(774)	(871)
		£ 31,762	£ 28,674
CAPITAL AND RESERVES			
Called up share capital	4	1,000	1,000
Reserves	5	30,762	27,674
SHAREHOLDERS' FUNDS		£ 31,762	£ 28,674

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 2 to 5 were approved by the board of directors on 24th March 1998 and signed on its behalf by:


W Smith (Director)

W & J SMITH (METAL STOCKISTS) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1997

1. ACCOUNTING POLICIES

a) Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

b) Accounting convention

The financial statements are prepared under the historical cost convention.

c) Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small company.

d) Tangible fixed assets

Depreciation is provided so as to write off the cost over the estimated useful lives of the assets.

The rates of depreciation and the methods applied are as follows:-

Fixtures and fittings	15% per annum, reducing balance
Plant and equipment	15% per annum, reducing balance
Motor vehicles	25% per annum, reducing balance

e) Leases

The rental payments in respect of operating leases are charged to the profit and loss account on a straight line basis over the term of the leases.

f) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost represents materials, direct labour and appropriate production overheads.

g) Deferred taxation

Deferred taxation is provided at the current tax rate on differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements except where the tax reduction is expected to continue for the foreseeable future.

W & J SMITH (METAL STOCKISTS) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1997

continued

2. TANGIBLE FIXED ASSETS

	<u>Fixtures and fittings</u>	<u>Plant and equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
COST	£	£	£	£
At 31 May 1997	1,419	29,005	7,000	37,424
	<hr/>	<hr/>	<hr/>	<hr/>
ACCUMULATED DEPRECIATION				
At 1 June 1996	579	18,928	6,066	25,573
Charge for the year	134	1,628	234	1,996
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 1997	713	20,556	6,300	27,569
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 May 1997	£ 706	£ 8,449	£ 700	£ 9,855
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 June 1996	£ 840	£ 10,077	£ 934	£ 11,851
	<hr/>	<hr/>	<hr/>	<hr/>

3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1997</u>	<u>1996</u>
These include:	£	£
Bank overdraft	£ 2,634	£ -
	<hr/>	<hr/>

The bank overdraft is secured by a joint and several guarantee dated 31 October 1979 of William Smith and John Thomas Smith, directors of the company.

4. CALLED UP SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
	£	£
Authorised		
Ordinary shares of £1 each	£ 1,000	£ 1,000
	<hr/>	<hr/>
Allotted and fully paid		
Ordinary shares of £1 each	£ 1,000	£ 1,000
	<hr/>	<hr/>

• W & J SMITH (METAL STOCKISTS) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1997

continued

5. RESERVES

Profit and
loss account

£

Balance at 1 June 1996

27,674

Profit for the year

3,088

Balance at 31 May 1997

£ 30,762