

W & J SMITH (METAL STOCKISTS) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

31 MAY 1995



Company Registration No. 789605

W & J SMITH (METAL STOCKISTS) LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31 MAY 1995

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AUDITORS' REPORT

TO W & J SMITH (METAL STOCKISTS) LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 3 to 6 together with the financial statements of W & J Smith (Metal Stockists) Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 May 1995.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. 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 full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part 3 of Schedule 8 to that Act, in respect of the year ended 31 May 1995, and the abbreviated financial statements on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other information

On 30th April 1996 we reported, as auditors of W & J Smith (Metal Stockists) Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 May 1995, and our audit report was as follows:

'We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

..... continued

AUDITORS' REPORT

TO W & J SMITH (METAL STOCKISTS) LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

However, the evidence available to us was limited because the company was exempt from audit for the year ended 31 May 1994 and no audit opinion was formed on the opening balances for the current year or on the comparative figures. Any adjustments to those figures would have a consequential significant effect on the profit for the year to 31 May 1995.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Qualified opinion arising from limitation in audit scope

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 May 1995 and, except for any adjustments that might have been found necessary had we been able to obtain sufficient evidence concerning the opening balance sheet, give a true and fair view of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Garratt & Co

Garratt & Co
Registered Auditors
Chartered Accountants
79/81 High Street
Albrighton
Wolverhampton

30th April 1996

W & J SMITH (METAL STOCKISTS) LIMITED**ABBREVIATED BALANCE SHEET****31 MAY 1995**

		1995	1994
	Note	£	£
FIXED ASSETS			
Tangible assets	2	13,073	5,247
CURRENT ASSETS			
Stocks		18,700	18,000
Debtors		47,611	44,221
Cash and bank balances		375	9,208
		66,686	71,429
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	3	(52,651)	(55,260)
NET CURRENT ASSETS		14,035	16,169
TOTAL ASSETS LESS CURRENT LIABILITIES		27,108	21,416
PROVISIONS FOR LIABILITIES AND CHARGES		(781)	(578)
		<u>£ 26,327</u>	<u>£ 20,838</u>
CAPITAL AND RESERVES			
Called up share capital	4	1,000	1,000
Reserves	5	25,327	19,838
SHAREHOLDERS' FUNDS		<u>£ 26,327</u>	<u>£ 20,838</u>

Advantage has been taken of the exemptions for small companies conferred by Section A Part 3 to the Companies Act 1985 on the grounds that, in the directors' opinion, the company is entitled to benefit from those exemptions as a small company.

The financial statements were approved by the Board on 30th April 1996



W Smith (Director)

W & J SMITH (METAL STOCKISTS) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1995

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 1995**continued**2. TANGIBLE FIXED ASSETS**

	<u>Fixtures and fittings</u>	<u>Plant and equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
COST	£	£	£	£
At 1 June 1994	430	18,649	7,000	26,079
Additions	129	10,200	-	10,329
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 1995	559	28,849	7,000	36,408
	<hr/>	<hr/>	<hr/>	<hr/>
ACCUMULATED DEPRECIATION				
At 1 June 1994	408	15,085	5,339	20,832
Charge for the year	23	2,065	415	2,503
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 1995	431	17,150	5,754	23,335
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 May 1995	£ 128	£ 11,699	£ 1,246	£ 13,073
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 June 1994	£ 22	£ 3,564	£ 1,661	£ 5,247
	<hr/>	<hr/>	<hr/>	<hr/>

3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1995</u>	<u>1994</u>
These include:	£	£
Bank overdraft	£ 328	-
	<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>1995</u>	<u>1994</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 1995
continued

5. RESERVES

Profit and
loss account

£
19,839
5,488

£ 25,327

Balance at 1 June 1994
Profit for the year

Balance at 31 May 1995