

Carmal Enterprises Limited

Abbreviated Accounts
January 31, 2001

Davison and Shingleton
Chartered Accountants





**AUDITORS' REPORT TO CARMAL ENTERPRISES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 5 together with the accounts of the company for the year ended January 31, 2001, prepared under section 226 of the Companies Act 1985.

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 accounts 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 accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the accounts.

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 on pages 2 to 5 are properly prepared in accordance with those provisions.

Davison and Shingleton

Davison and Shingleton
Chartered Accountants
Registered Auditor

May 24, 2001

ABBREVIATED BALANCE SHEET AT JANUARY 31, 2001

	Notes	2001 £	2000 £
Fixed assets:			
Tangible assets	2	541,508	549,299
Current assets:			
Stocks		619,384	557,504
Debtors		360,641	307,947
Cash at bank and in hand		554,313	278,576
		1,534,338	1,144,027
Creditors: amounts falling due within one year	3	(905,521)	(593,104)
Net current assets		628,817	550,923
Total assets less current liabilities		1,170,325	1,100,222
Provisions for liabilities and charges		(1,185)	(822)
		<u>£1,169,140</u>	<u>£1,099,400</u>
Capital and reserves:			
Called up share capital	4	175,000	175,000
Share premium		67,402	67,402
Capital redemption reserve		208,333	208,333
Profit and loss account		718,405	648,665
Equity shareholders' funds		<u>£1,169,140</u>	<u>£1,099,400</u>

The abbreviated balance sheet has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on May 21, 2001
and signed on its behalf by

C. Valentine

C M Valentine
Director

NOTES TO THE ABBREVIATED ACCOUNTS AT JANUARY 31, 20011. Accounting policiesAccounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable Accounting Standards and in accordance with the Financial Reporting Standard for Smaller Entities.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold property	-	over the lease term
Furniture and office equipment	-	20% on a reducing balance basis
Motor vehicles	-	over 4 years
Computer equipment	-	over 3 years

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Raw materials and goods for resale	-	purchase cost on a first-in, first-out basis
Work in progress and finished goods	-	cost of direct materials and labour plus attributable overheads based on a normal level of activity

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

Foreign currencies

Transactions in foreign currencies during the year are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Lease commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

NOTES TO THE ABBREVIATED ACCOUNTS AT JANUARY 31, 2001

(continued)

1. Accounting policies
(continued)Pensions

The company contributes to the personal pension schemes of certain directors. Contributions are charged to the profit and loss account as they become payable in accordance with the agreement reached with each individual director.

2. Tangible fixed assets

	<i>Total</i> £
Cost:	
At February 1, 2000	1,052,882
Additions	51,103

At January 31, 2001	1,103,985

Depreciation:	
At February 1, 2000	503,583
Provided during the year	58,894

At January 31, 2001	562,477

Net book value:	
At January 31, 2001	£541,508
	=====
At February 1, 2000	£549,299
	=====

3. Creditors: amounts falling due within one year

Included in creditors falling due within one year is a bank overdraft of £32,622 (2000 : £36,809) which is secured by a charge on the company's leasehold properties, a floating charge over the company's assets and a fixed charge over the company's book debts.

CARMAL ENTERPRISES LIMITEDNOTES TO THE ABBREVIATED ACCOUNTS AT JANUARY 31, 2001

(continued)

4. Share capital

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	2001	2000	2001	2000
	No.	No.	£	£
Equity shares:				
Ordinary shares of £1 each	175,000	175,000	175,000	175,000
	-----	-----	-----	-----
Equity shares	175,000	175,000	175,000	175,000
Non-equity shares:				
Redeemable preference shares of £1 each	175,000	175,000	-	-
'A' Ordinary shares of £1 each	33,333	33,333	-	-
	-----	-----	-----	-----
Non-equity shares	208,333	208,333	-	-
	-----	-----	-----	-----
	383,333	383,333	£175,000	£175,000
	=====	=====	=====	=====

5. Transactions with directors

Included within other debtors is an amount of £Nil (2000 : £20,000) due from C M Valentine.