

**CARR & SMITH (BUILDERS)
LIMITED**

Abbreviated accounts

31 January 2001

**Deloitte & Touche
Colmore Gate
2 Colmore Row
Birmingham
B3 2BN**





AUDITORS' REPORT TO CARR & SMITH (BUILDERS) LIMITED PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5 together with the financial statements of Carr & Smith (Builders) Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 January 2001.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with sections 246(5) and (6) of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with those sections 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 have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 247 and 247A of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, in respect of the year ended 31 January 2001, and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with those provisions.

Other information

On 1 May 2001 we reported, as auditors of Carr & Smith (Builders) Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 January 2001, and our audit report included the following paragraph.

Uncertainty relating to going concern basis

As stated in note 1, the financial statements have been prepared on a going concern basis, the validity of which depends upon appropriate financial support continuing to be available from its bankers. The financial statements do not take account of any adjustments that would be necessary should this support not continue. Our opinion is not qualified in this respect.

Chartered Accountants and
Registered Auditors

23 May 2001

**Deloitte
Touche
Tohmatsu**

CARR & SMITH (BUILDERS) LIMITED**Deloitte
& Touche****BALANCE SHEET
31 January 2001**

	Note	2001 £	2000 £
FIXED ASSETS			
Tangible assets	2	31,014	31,833
CURRENT ASSETS			
Stocks		33,418	14,223
Debtors		9,171	22,987
Cash at bank and in hand		188	141
		42,777	37,351
CREDITORS: amounts falling due within one year	3	84,256	81,979
NET CURRENT LIABILITIES		(41,479)	(44,628)
TOTAL ASSETS LESS CURRENT LIABILITIES		(10,465)	(12,795)
CREDITORS: amounts falling due after more than one year	4	(18,948)	(6,344)
		(29,413)	(19,139)
CAPITAL AND DEFICIT			
Called up share capital	5	- 1,500	1,500
Profit and loss account		(30,913)	(20,639)
TOTAL EQUITY SHAREHOLDERS' DEFICIT		(29,413)	(19,139)

These accounts have been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985 with respect to the delivery of individual accounts.


Signed on behalf of the Board of Directors

R G Smith



Director

Mrs C E Smith



Director

CARR & SMITH (BUILDERS) LIMITED**NOTES TO THE BALANCE SHEET
31 January 2001****1 ACCOUNTING POLICIES**

The accounts are prepared in accordance with applicable accounting standards.

The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention and on a going concern basis, the validity of which depends on the company receiving continued support from its bankers. If such support were not available, adjustments might have to be made to reduce the value of the assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify fixed assets as current assets and long term liabilities as current liabilities.

At 31 January 2001 the company's current liabilities exceeded its current assets by £41,479. The directors are of the opinion that sufficient facilities will be made available to the company and, accordingly, have prepared the financial statements on a going concern basis.

Tangible fixed assets

Depreciation is calculated so as to write off the cost of tangible fixed assets by the reducing balance method as follows:

Equipment, fixtures and fittings	15%
Motor vehicles	25%

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. Work in progress is valued at direct cost including attributable overheads less progress claims received and receivable.

Leases

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease rentals in proportion to the capital element outstanding.

Operating lease rentals are charged to the profit and loss as they accrue.

Pension

The company operates a defined contribution scheme for three directors. The assets of the scheme are held separately from those of the company. The pension cost charge represents contributions payable by the company to the fund.

**NOTES TO THE BALANCE SHEET
31 January 2001**

2 TANGIBLE FIXED ASSETS

	£
Cost	
At 1 February 2000	80,050
Additions in year	7,519
Disposals in year	(8,800)
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At 31 January 2001	78,769
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Accumulated depreciation	
At 1 February 2000	48,217
Charge in year	8,094
Disposals in year	(8,556)
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At 31 January 2001	47,755
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Net book value	
At 31 January 2001	31,014
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3 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Creditors, amounts falling due within one year includes:		
Bank loans and overdraft	31,956	33,635
Directors' current accounts	1,404	3,521
Obligations due under finance leases and HP contracts	6,256	5,138
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The amounts due to the directors are interest free. The maximum amount outstanding during the year was £15,573 (2000 - £6,370).

NOTES TO THE BALANCE SHEET
31 January 2001

4 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2001 £	2000 £
Creditors, amounts falling due after more than one year include:		
Bank loans	13,334	677
Obligations due under finance leases and HP contracts	5,614	5,667
	<u>18,948</u>	<u>6,344</u>

The bank loan and overdraft at 31 January 2001 are secured by a fixed and floating charge over the company's assets.

5 CALLED UP SHARE CAPITAL

	2001 £	2000 £
Authorised		
10,000 ordinary shares of £1.00 each	10,000	10,000
Called up, allotted and fully paid		
1,500 ordinary shares of £1.00 each	1,500	1,500
	<u>11,500</u>	<u>11,500</u>

6 RELATED PARTY TRANSACTIONS

R G and Mrs C E Smith have together given personal guarantees of £37,932 to secure the company's bank borrowings.

Included in turnover is an amount of £25,141 invoiced to Mr & Mrs R G Smith for work on their property, this being performed on an arm length basis.