

**Deloitte &
Touche**

Deloitte Touche
Tohmatsu



Company Registration No. 1473738

CARR & SMITH (BUILDERS) LIMITED

Abbreviated accounts

31 January 1999

**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 4 to 7 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 1999.

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 1999, and the abbreviated accounts on pages 4 to 7 have been properly prepared in accordance with those provisions.

Other information

On 5 May 1998 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 1999, and our audit report was as follows:

"We have audited the financial statements on pages 4 to 12 which have been prepared under 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.

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

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

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 January 1998 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

The statement of directors' responsibilities referred to in our audit report on the full financial statements, reproduced above, was as follows:

"Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.



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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities."

Deloitte & Touche

Chartered Accountants and
Registered Auditors

1 April 1999

BALANCE SHEET
31 January 1999

	Note	1999 £	1998 £
FIXED ASSETS			
Tangible assets	2	15,105	19,300
CURRENT ASSETS			
Stocks		9,906	12,241
Debtors		21,983	9,705
Cash at bank and in hand		195	208
		32,084	22,154
CREDITORS: amounts falling due within one year	3	75,539	81,067
NET CURRENT LIABILITIES		(43,455)	(58,913)
TOTAL ASSETS LESS CURRENT LIABILITIES		(28,350)	(39,613)
CREDITORS: amounts falling due after more than one year	4	(9,466)	(19,721)
		(37,816)	(59,334)
CAPITAL AND DEFICIT			
Called up share capital	5	1,500	1,500
Profit and loss account		(39,316)	(60,834)
TOTAL EQUITY SHAREHOLDERS' DEFICIT		(37,816)	(59,334)

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

R. G. Smith

Director

Mrs C E Smith

C. E. Smith

Director

**NOTES TO THE BALANCE SHEET**
31 January 1999**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 1999 the company's current liabilities exceeded its current assets by £43,455. 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 one director. 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 1999

2 TANGIBLE FIXED ASSETS

Cost	£
At 1 February 1998 and 31 January 1999	61,805
Accumulated depreciation	
At 1 February 1998	42,505
Charge in year	4,195
At 31 January 1999	46,700
Net book value	
At 31 January 1999	15,105

3 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999 £	1998 £
Creditors, amounts falling due within one year includes:		
Bank loans and overdraft	39,377	30,653
Directors' current accounts	2,383	19,544
Obligations due under finance leases and HP contracts	3,415	3,415

The amounts due to the directors are interest free. The maximum amount outstanding during the year was £19,644 (1998 - £20,816).

4 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1999 £	1998 £
Creditors, amounts falling due after more than one year include:		
Bank loans	8,328	15,168
Obligations due under finance leases and HP contracts	1,138	4,553



NOTES TO THE BALANCE SHEET
31 January 1999

5 CALLED UP SHARE CAPITAL

	1999	1998
	£	£
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

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.