

INSPECTION SERVICES (U.K.) LIMITED

REPORT AND ACCOUNTS

YEAR ENDED 31 OCTOBER 2000

Registered number: 2754875



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**INSPECTION SERVICES (U.K.) LIMITED**  
**DIRECTORS' REPORT**

**Directors:** P G Welsh Esq  
Mrs S H Welsh

**Secretary:** Mrs S H Welsh

**Registered office:** North Green Road, Pulham St Mary, Diss, Norfolk IP21 4QZ

**Registered number:** 2754875

The directors present their report together with the accounts of the company for the year ended 31 October 2000.

**Principal activity**

The principal activity of the company during the year was that of the provision of engineering inspection services.

**Directors and their interests**

The directors of the company at 31 October 2000 are shown above.

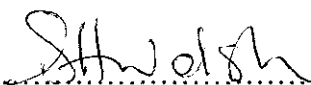
The directors had a beneficial interest in the share capital of the company as follows:

	At 31.10.2000	At 1.11.1999
	Ordinary shares of £1 each	
P G Welsh Esq	51	51
Mrs S H Welsh	49	49
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**Basis of preparation**

This report has been prepared in accordance with the special provisions of Part VII of Companies Act 1985 relating to small companies.

By Order of the Board

Mrs S H Welsh ..... 

Date ..... 6 JUNE 2001

**INSPECTION SERVICES (U.K.) LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
For the year ended 31 October 2000

	Notes	£	£	1999 £
Turnover	2		67,286	78,259
Cost of sales			29,178	23,709
			<hr/>	<hr/>
Gross profit			38,108	54,550
Selling and distribution costs		13,654		7,009
Administrative expenses		47,779		16,292
		<hr/>		<hr/>
			61,433	23,301
			<hr/>	<hr/>
Operating (loss)/profit	3		(23,325)	31,249
Interest payable and similar charges	4		914	1,544
			<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation			(24,239)	29,705
Tax on (loss)/profit on ordinary activities	5		(1,593)	1,593
			<hr/>	<hr/>
Retained (loss)/profit for the financial year			(22,646)	28,112
Retained reserves brought forward			6,079	(22,033)
			<hr/>	<hr/>
Retained reserves carried forward			£ (16,567)	£ 6,079
			<hr/>	<hr/>

The attached notes 1 to 10 form a part of these accounts.

**INSPECTION SERVICES (U.K.) LIMITED**  
**BALANCE SHEET AS AT 31 OCTOBER 2000**

	Notes	£	£	1999 £
<b>Fixed assets</b>				
Tangible assets	6		4,531	<u>2,580</u>
<b>Current assets</b>				
Debtors	7	14,241		34,288
Creditors: Amounts falling due within one year	8	<u>35,239</u>		<u>30,689</u>
<b>Net current assets/(liabilities)</b>			(20,998)	<u>3,599</u>
<b>Total assets less current liabilities</b>			<u>£ (16,467)</u>	<u>£ 6,179</u>
<b>Capital and reserves</b>				
Called up share capital	9		100	100
Profit and loss account			(16,567)	<u>6,079</u>
			<u>£ (16,467)</u>	<u>£ 6,179</u>

Continued....

The attached notes 1 to 10 form a part of these accounts.

**INSPECTION SERVICES (U.K.) LIMITED**  
**BALANCE SHEET AS AT 31 OCTOBER 2000**

**Directors' statement**

- (a) The company is entitled to take advantage of the total exemption from audit given by Section 249A(1) of CA 1985 for the year ended 31 October 2000;
- (b) no notice has been deposited by holders of 10% or more of the company's issued share capital requiring the company to obtain an audit of its accounts for the financial year; and
- (c) the directors acknowledge their responsibility for:
  - (i) ensuring the company keeps accounting records which comply with Section 221 of CA 1985; and
  - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the balance sheet date and of its profit or loss for the year then ended in accordance with Section 226 of CA 1985.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

Approved by:

P G Welsh Esq ..... *P. G. Welsh* .....

Date ..... *6 JUNE 2001* .....

The attached notes 1 to 10 form a part of these accounts.

**INSPECTION SERVICES (U.K.) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**For the year ended 31 October 2000**

**1. ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the accounts.

**Accounting convention**

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), under the historical cost convention and in compliance with the requirements of the Companies Act 1985.

**Turnover**

Turnover represents invoiced sales less returns exclusive of value added tax.

**Depreciation**

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

Fixtures and fittings	- 25% per annum on written down value
Plant and machinery	- 25% per annum on written down value

**Deferred taxation**

Deferred taxation is provided using the liability method on all timing differences except where no liability is likely to arise in the future.

**Leased assets**

Where assets are financed by leasing or hire purchase agreements, the assets are treated as if they had been purchased. The present value of the minimum lease payments payable during the lease term is capitalised as a tangible asset and the corresponding leasing commitment is included as a liability. Rentals payable are apportioned between interest, which is charged to the profit and loss account, and capital, which reduces the outstanding commitment.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a payable basis.

**2. TURNOVER**

The fees and commissions receivable and loss for the year (1999 – profit) are attributable to the principal activity of the company, which is carried on wholly in the United Kingdom.

**INSPECTION SERVICES (U.K.) LIMITED**  
**NOTES TO THE ACCOUNTS**  
For the year ended 31 October 2000 (continued)

		1999
<b>3. OPERATING (LOSS)/PROFIT</b>	£	£
This is stated after charging:		
Total directors' emoluments	29,638	5,532
Depreciation of tangible fixed assets	1,510	861
	<u>          </u>	<u>          </u>
<b>4. INTEREST PAYABLE</b>		
Interest on bank overdrafts and loans	£ 914	£ 1,544
	<u>          </u>	<u>          </u>
<b>5. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES</b>		
Based on the results for the year:		
UK corporation tax at 20.42%	-	1,593
Corporation tax recoverable	(1,593)	-
	<u>          </u>	<u>          </u>
	£ (1,593)	£ 1,593
	<u>          </u>	<u>          </u>

The company has tax losses of approximately £16,400 to carry forward which are available for offset against future trading profits, subject to agreement by H.M.I.T.

<b>6. TANGIBLE FIXED ASSETS</b>			
	Plant & machinery	Fixtures & fittings	Total
	£	£	£
<b>Cost:</b>			
At 1 November 1999	2,234	5,035	7,269
Additions	825	2,636	3,461
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 October 2000	3,059	7,671	10,730
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation:</b>			
At 1 November 1999	1,624	3,065	4,689
Charge for the year	359	1,151	1,510
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 October 2000	1,983	4,216	6,199
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value:</b>			
At 31 October 2000	£ 1,076	£ 3,455	£ 4,531
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 October 1999	£ 610	£ 1,970	£ 2,580
	<u>          </u>	<u>          </u>	<u>          </u>

**INSPECTION SERVICES (U.K.) LIMITED**  
**NOTES TO THE ACCOUNTS**  
For the year ended 31 October 2000 (continued)

7. DEBTORS	£	1999 £
Trade debtors	12,328	33,968
Other debtors	1,913	320
	<u>£ 14,241</u>	<u>£ 34,288</u>

**8. CREDITORS: Amounts falling due within one year**

Bank loans and overdraft	9,688	10,047
Taxation and social security	5,463	5,271
Hire purchase liability	2,109	1,336
Other creditors	17,979	12,442
	<u>£ 35,239</u>	<u>£ 29,096</u>

The bank overdraft is secured by directors' personal guarantees.

9. SHARE CAPITAL	£	£
Authorised:		
100 ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>
Allotted, issued and fully paid:		
100 ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>

**10. RELATED PARTY DISCLOSURES**

Material balances and transactions with related parties arising during the year were as follows:

	£	1999 £
Balances with related parties		
Creditor balances	<u>£ 8,839</u>	<u>£ 2,624</u>

**Transactions with related parties**

The above amounts relate to monies owed to P G Welsh Esq and Mrs S H Welsh.

**Nature of relationships and control**

P G Welsh Esq and Mrs S H Welsh are the directors and shareholders of the company.