

**SMART CUT LIMITED**

**REGISTERED NUMBER 02927846**

**DIRECTOR'S REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2000**



**DYKE YAXLEY  
CHARTERED ACCOUNTANTS  
ABBAY HOUSE  
ABBAY FOREGATE  
SHREWSBURY  
SHROPSHIRE**

# SMART CUT LIMITED

## COMPANY INFORMATION

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<b>Director</b>	T. W. Rimell
<b>Secretary</b>	L. Evans
<b>Company number</b>	02927846
<b>Registered office</b>	Abbey House Abbey Foregate Shrewsbury SY2 6BH
<b>Accountants</b>	Dyke Yaxley Abbey House Abbey Foregate Shrewsbury Shropshire SY2 6BH
<b>Bankers</b>	National Westminster Bank Plc. 84 Commercial Road Swindon Wiltshire

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# SMART CUT LIMITED

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# SMART CUT LIMITED

## DIRECTOR'S REPORT FOR THE YEAR ENDED 30 APRIL 2000

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The director presents his report and financial statements for the year ended 30 April 2000.

### Principal activities

The principal activity of the company continued to be that of the provision of grass mowing services.

### Director

The following director has held office since 1 May 1999:

T. W. Rimell

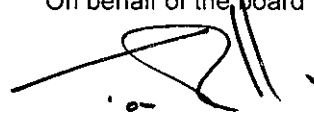
### Director's interests

The director's beneficial interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	30 April 2000	1 May 1999
T. W. Rimell	30	-

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

On behalf of the board



T. W. Rimell

Director

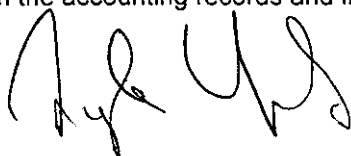
8th August 2000

# SMART CUT LIMITED

## ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE UNAUDITED ACCOUNTS OF SMART CUT LIMITED

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As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30 April 2000, set out on pages 3 to 10 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.



Dyke Yaxley

Chartered Accountants

8th August 2000

Abbey House  
Abbey Foregate  
Shrewsbury  
Shropshire  
SY2 6BH

# SMART CUT LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2000

	Notes	2000 £	1999 £
Turnover		329,357	267,579
Cost of sales		(163,337)	(131,160)
<b>Gross profit</b>		166,020	136,419
Administrative expenses		(138,205)	(104,416)
<b>Operating profit</b>	<b>2</b>	27,815	32,003
Other interest receivable and similar income		70	463
Interest payable and similar charges	<b>3</b>	(2,349)	(112)
<b>Profit on ordinary activities before taxation</b>		25,536	32,354
Tax on profit on ordinary activities	<b>4</b>	(6,281)	(4,637)
<b>Profit on ordinary activities after taxation</b>		19,255	27,717
Dividends		(30,000)	(16,000)
<b>Retained (loss)/profit for the year</b>	<b>10</b>	(10,745)	11,717

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# SMART CUT LIMITED

## BALANCE SHEET AS AT 30 APRIL 2000

	Notes	2000 £	£	1999 £	£
<b>Fixed assets</b>					
Tangible assets	5		179,162		162,317
<b>Current assets</b>					
Debtors	6	26,483		23,936	
Cash at bank and in hand		65		79	
		<u>26,548</u>		<u>24,015</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(91,104)</u>		<u>(101,416)</u>	
<b>Net current liabilities</b>			<u>(64,556)</u>		<u>(77,401)</u>
<b>Total assets less current liabilities</b>			114,606		84,916
<b>Creditors: amounts falling due after more than one year</b>	8		<u>(71,700)</u>		<u>(31,362)</u>
			<u>42,906</u>		<u>53,554</u>
<b>Capital and reserves</b>					
Called up share capital	9		100		2
Profit and loss account	10		<u>42,806</u>		<u>53,552</u>
<b>Shareholders' funds - equity interests</b>	11		<u>42,906</u>		<u>53,554</u>

# SMART CUT LIMITED

## BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2000


In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) preparing accounts 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 its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on .....

8\* Aug 2000



T. W. Rimell  
Director



# SMART CUT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2000

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	nil - residual value is not less than cost
Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	15% reducing balance

#### 1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

#### 1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2	Operating profit	2000 £	1999 £
	Operating profit is stated after charging:		
	Depreciation of tangible assets	18,667	15,691
	Operating lease rentals	2,648	2,332
	Director's emoluments	20,647	36,280
		<u>20,647</u>	<u>36,280</u>
3	Interest payable	2000 £	1999 £
	Hire purchase interest	2,005	8
		<u>2,005</u>	<u>8</u>

# SMART CUT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2000

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<b>4</b>	<b>Taxation</b>	<b>2000</b>	<b>1999</b>
		£	£
	<b>U.K. current year taxation</b>		
	U.K. corporation tax at 20% (1999 - 21%)	5,103	4,637
	<b>Prior years</b>		
	U.K. corporation tax	1,178	-
		<u>6,281</u>	<u>4,637</u>

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# SMART CUT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2000

### 5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 May 1999	73,396	145,681	219,077
Additions	-	61,786	61,786
Disposals	-	(45,002)	(45,002)
At 30 April 2000	73,396	162,465	235,861
<b>Depreciation</b>			
At 1 May 1999	-	56,760	56,760
On disposals	-	(18,728)	(18,728)
Charge for the year	-	18,667	18,667
At 30 April 2000	-	56,699	56,699
<b>Net book value</b>			
At 30 April 2000	73,396	105,766	179,162
At 30 April 1999	73,396	88,921	162,317

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery	Motor vehicles	Total
	£	£	£
<b>Net book values</b>			
At 30 April 2000	10,900	29,534	40,434
At 30 April 1999	10,023	-	10,023
<b>Depreciation charge for the year</b>			
30 April 2000	1,924	5,211	7,135
30 April 1999	1,769	-	1,769

# SMART CUT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2000

6	Debtors	2000	1999
		£	£
	Trade debtors	25,733	19,925
	Other debtors	750	4,011
		<u>26,483</u>	<u>23,936</u>
7	Creditors: amounts falling due within one year	2000	1999
		£	£
	Bank loans and overdrafts	20,334	13,882
	Net obligations under hire purchase contracts	11,382	11,547
	Trade creditors	11,372	33,478
	Taxation and social security	25,245	10,573
	Other creditors	22,771	31,936
		<u>91,104</u>	<u>101,416</u>
8	Creditors: amounts falling due after more than one year	2000	1999
		£	£
	Net obligations under hire purchase contracts	2,137	-
	Other creditors	69,563	31,362
		<u>71,700</u>	<u>31,362</u>
	<b>Analysis of loans</b>		
	Wholly repayable within five years	<u>69,563</u>	<u>31,362</u>
	<b>Loan maturity analysis</b>		
	Between one and two years	<u>28,537</u>	<u>31,632</u>
	<b>Net obligations under hire purchase contracts</b>		
	Repayable within one year	11,382	11,547
	Repayable between one and five years	2,137	-
		<u>13,519</u>	<u>11,547</u>
	Included in liabilities falling due within one year	<u>(11,382)</u>	<u>(11,547)</u>
		<u>2,137</u>	<u>-</u>

# SMART CUT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2000

9	Share capital	2000 £	1999 £
	<b>Authorised</b>		
	1,000 Ordinary shares of £ 1 each	1,000	1,000
	<b>Allotted, called up and fully paid</b>		
	100 Ordinary shares of £ 1 each	100	2

During the year ninety eight ordinary shares of £1 each were allotted and fully paid at par for cash consideration to provide additional working capital.

### 10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 May 1999	53,551
Retained loss for the year	(10,745)
Balance at 30 April 2000	42,806

11	Reconciliation of movements in shareholders' funds	2000 £	1999 £
	Profit for the financial year	19,255	27,717
	Dividends	(30,000)	(16,000)
		(10,745)	11,717
	Proceeds from issue of shares	98	-
	Net (depletion in)/addition to shareholders' funds	(10,647)	11,717
	Opening shareholders' funds	53,554	41,837
	Closing shareholders' funds	42,906	53,554