

REGISTRAR OF COMPANIES COPY
Company No: 2035607

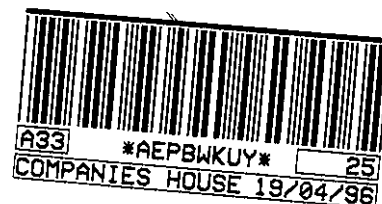
IAN SMITH ELECTRICAL LIMITED

Abbreviated Balance Sheet and Financial Statements

Year Ended 31 July 1995

LEONARD E. PARR & CO.

CERTIFIED ACCOUNTANTS AND REGISTERED AUDITORS



**AUDITORS REPORT TO THE DIRECTORS' OF IAN SMITH ELECTRICAL LIMITED PURSUANT
TO PARAGRAPH 24 OF SCHEDULE 8 OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 5 together with the statutory financial statements of Ian Smith Electrical Limited for the year ended 31 July 1995. The scope of our work for the purposes of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 2 and that the abbreviated accounts have been properly prepared from the statutory financial statements.

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Schedule 8 Part 111 A of that Act in respect of the year ended 31 July 1995 and the abbreviated accounts have been properly prepared from the statutory financial statements.

On 12 March 1996 we reported as auditors of Ian Smith Electrical Limited to the shareholders on the full financial statements required by section 226 of the Companies Act 1985 for the year ended 31 July 1995, and our audit report was as follows:

"We have audited the financial statements on pages 3 to 7 which have been prepared under the historical cost convention, and the accounting policies set out on page 5.

Respective Responsibilities of Directors' and Auditors'.

As described on page 1 the Company 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.

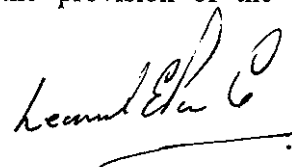
Basis of Opinion

We conducted our audit in accordance with the 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 mis-statement, 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 July 1995, and of its Profit for the year then ended, and have been properly prepared in accordance with the provision of the Companies Act 1985 applicable to small companies."



ABBREVIATED STATUTORY BALANCE SHEET AS AT 31 JULY 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
Fixed assets:			
Tangible assets	2	34544	26213
Current assets:			
Stock	15550	15250	
Debtors	187552	175056	
Cash in hand	<u>70</u>	<u>68</u>	
	203172	190374	
Creditors: amounts falling due within one year	<u>(144982)</u>	<u>(178426)</u>	
Net current assets		<u>58190</u>	<u>11948</u>
Total assets less current liabilities		92734	38161
Creditors: amounts falling due after more than one year	3	<u>(52616)</u>	<u>(17384)</u>
Net assets		<u>£40118</u>	<u>£20777</u>
 Capital and reserves:			
Called-up share capital	4	100	100
Profit and loss account		<u>40018</u>	<u>20677</u>
Shareholders' funds		<u>£40118</u>	<u>£20777</u>

In preparing these financial statements:

- Advantage has been taken, in the preparation of the financial statements, of special exemptions applicable to small companies.
- In the opinion of the directors the company is entitled to those exemptions on the basis that it qualifies as a small company under Section 247 of the Companies Act 1985.

In preparing these abbreviated accounts the directors have taken advantage of the exemptions conferred by Schedule 8 Part 111 A of the Companies Act 1985, and have done so on the grounds that, in their opinion, the company qualifies as a small company, and is entitled to make use of the exemptions.

In preparing the financial statements the directors' have taken advantage of special exemptions applicable to small companies under Schedule 8 Part 1 of the Companies Act 1985, and have done so on the grounds that, in their opinion, the company qualifies as a small company and is entitled to make use of the special exemptions.

The financial statements were approved by the board on 12 March 1996, and signed on its behalf.



Director

The notes on pages 2 to 5 form part of these financial statements

1. Accounting Policies:

1.1 Accounting convention:

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover:

Turnover represents the total invoice value, excluding value added tax, of sales during the year.

1.3 Tangible fixed assets and depreciation:

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows:

Tools and equipment	:	10% straight line
Office equipment	:	20% straight line
Motor vehicles	:	20% straight line

1.4 Leasing and hire purchase commitments:

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and are 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 constant periodic rates of charge on the net obligations outstanding in each period.

1.5 Stocks and work in progress:

Stocks and work in progress are valued at the lower of cost and net realisable value.

1.6 Pensions:

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

IAN SMITH ELECTRICAL LIMITED

NOTES TO THE ACCOUNTS AT 31 JULY 1995

(CONTINUED)

2. Tangible Assets:

	Tools	Office equipment	Motor vehicles	Total
Cost or valuation:				
At 1 August 1994	2893	9700	40080	52673
Additions	<u>-</u>	<u>3304</u>	<u>19250</u>	<u>22554</u>
At 31 July 1995	<u>2893</u>	<u>13004</u>	<u>59330</u>	<u>75227</u>
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Depreciation:				
At 1 August 1994	1115	6155	19191	26461
Charge for the year	<u>289</u>	<u>2116</u>	<u>11817</u>	<u>14222</u>
At 31 July 1995	<u>1404</u>	<u>8271</u>	<u>31008</u>	<u>40683</u>
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Net book value:				
At 31 July 1995	<u>£1489</u>	<u>£4733</u>	<u>£28322</u>	<u>£34544</u>
	=====	=====	=====	=====
At 31 July 1994	<u>£1778</u>	<u>£3545</u>	<u>£20889</u>	<u>£26212</u>
	=====	=====	=====	=====

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

	<u>1995</u>		<u>1994</u>	
	Net book value	Depreciation charge	Net book value	Depreciation charge
Motor Vehicles	<u>£28321</u>	<u>£8606</u>	<u>£17678</u>	<u>£4756</u>
	=====	=====	=====	=====

IAN SMITH ELECTRICAL LIMITED

NOTES TO THE ACCOUNTS AT 31 JULY 1995

(CONTINUED)

	<u>1995</u>	<u>1994</u>
3. Creditors: amounts falling due after more than one year:		
Director's loan account	44567	12212
Net obligation under finance leases and hire purchase contracts	<u>8049</u>	<u>5172</u>
	<u>£52616</u>	<u>£17384</u>

The director's loans are interest free, and there is no fixed date for repayment.

Net obligations under finance leases and hire purchase contracts:

Repayable within one year	(7748)	(5148)
Repayable between one and five years	<u>(8049)</u>	<u>(5172)</u>
	<u>£(15797)</u>	<u>£(10320)</u>

4. Share Capital:

Authorised equity:

10000 Ordinary shares of £1 each	<u>£10000</u>	<u>£10000</u>
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Allotted, called up and fully paid equity:

Ordinary shares of £1 each	<u>£100</u>	<u>£100</u>
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5. Transactions with Directors':

A rent of £7200 is paid to Mr I and Mrs S Smith during the year for use of the business premises. An amount of £7457 was incurred during the year to 31 July 1994 in respect of repairs, alterations and decorations in lieu of payment of rent up to 1 July 1994.