

REGISTRAR OF COMPANIES COPY
Company No: 2035607

IAN SMITH ELECTRICAL LIMITED

Abbreviated Balance Sheet and Financial Statements

Year Ended 31 July 1996



LEONARD E. PARR & CO.

**CHARTERED CERTIFIED ACCOUNTANTS
AND REGISTERED AUDITORS**

IAN SMITH ELECTRICAL LIMITED

AUDITORS' REPORT TO ABBREVIATED FINANCIAL STATEMENTS OF IAN SMITH ELECTRICAL LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 7 together with the financial statements of Ian Smith Electrical Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors statement on page 4 and whether the abbreviated accounts have been properly prepared.

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 the exemptions 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 246 and 247 of the Companies Act 1985 to the exemption conferred by Section A of Part 111 of Schedule 8 to that Act in respect of the year ended 31 July 1996 and the abbreviated accounts on pages 3 to 7 have been properly prepared in accordance with that schedule.

On 28 February 1997 we reported as auditors of Ian Smith Electrical Limited to the members on the statutory financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 July 1996 and our audit report was as follows:

"We have audited the financial statements on pages 3 to 9 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.

IAN SMITH ELECTRICAL LIMITED

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

(CONTINUED)

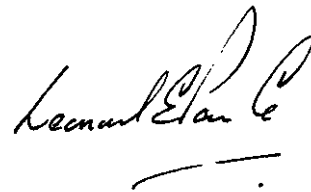
Basis of opinion

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 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.

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 1996, 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."

**5 Avenue Road
Grantham, Lincs.
NG31 6LW**



LEONARD E. PARR & CO.

28 February 1997

**Chartered Certified Accountants
and Registered Auditors**

IAN SMITH ELECTRICAL LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 JULY 1996

	Notes	1996	1995
Fixed assets			
Tangible assets	2	24124	34544
Current assets			
Stocks	14800	15550	
Debtors	186498	187552	
Cash in hand	<u>88</u>	<u>70</u>	
	201386	203172	
Creditors: amounts falling due within one year	<u>(125711)</u>	<u>(144982)</u>	
Net current assets		<u>75675</u>	<u>58190</u>
Total assets less current liabilities		99799	92734
Creditors: amounts falling due after more than one year	3	<u>(51098)</u>	<u>(52616)</u>
Net assets		<u>£48701</u>	<u>£40118</u>
Capital and reserves			
Called-up share capital	4	100	100
Profit and loss account		<u>48601</u>	<u>40018</u>
Equity shareholders' funds		<u>£48701</u>	<u>£40118</u>

In preparing these abbreviated accounts the directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to 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.

IAN SMITH ELECTRICAL LIMITED

BALANCE SHEET AS AT 31 JULY 1996

(CONTINUED)

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.

The financial statements were approved by the board on 28 February 1997, and signed on its behalf by


I. P. SMITH .


S. S. SMITH .
Company Secretary

Director

The notes on pages 5 to 7 form an integral part of these financial statements.

IAN SMITH ELECTRICAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 1996

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement because 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 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 1996

(CONTINUED)

	1996			1995
2. Tangible Assets	Tools	Office equipment	Motor vehicles	Total
Cost				
At 1 August 1995	2893	13004	59330	75227
Disposals	<u>-</u>	<u>-</u>	<u>(14569)</u>	<u>(14569)</u>
At 31 July 1996	<u>2893</u>	<u>13004</u>	<u>44761</u>	<u>60658</u>
	-----	-----	-----	-----
Depreciation				
At 1 August 1995	1404	8271	31008	40683
On disposals	-	-	(14569)	(14569)
Charge for the year	<u>289</u>	<u>1525</u>	<u>8606</u>	<u>10420</u>
At 31 July 1996	<u>1693</u>	<u>9796</u>	<u>25045</u>	<u>36534</u>
	-----	-----	-----	-----
Net book values				
At 31 July 1996	<u>£1200</u>	<u>£3208</u>	<u>£19716</u>	<u>£24124</u>
	=====	=====	=====	=====
At 31 July 1995	<u>£1489</u>	<u>£4733</u>	<u>£28322</u>	<u>£34544</u>
	=====	=====	=====	=====

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

	1996		1995	
	Net book value	Depreciation charge	Net book value	Depreciation charge
Motor Vehicles	<u>£19715</u>	<u>£8606</u>	<u>£28321</u>	<u>£8606</u>
	=====	=====	=====	=====

IAN SMITH ELECTRICAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 1996

(CONTINUED)

	1996	1995
3. Creditors: amounts falling due after more than one year		
Directors loan account	47202	44567
Net obligation under Finance Leases and Hire Purchase Contracts	<u>3896</u>	<u>8049</u>
	<u>£51098</u>	<u>£52616</u>
The directors 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	(4153)	(7748)
Repayable between one and five years	<u>(3896)</u>	<u>(8049)</u>
	<u>£(8049)</u>	<u>£(15797)</u>
4. Share Capital		
Authorised equity		
10000 Ordinary shares of £1 each	<u>£10000</u>	<u>£10000</u>
Allotted, called up and fully paid equity		
100 Ordinary shares of £1 each	<u>£100</u>	<u>£100</u>
5. Transactions with Directors		
A rent of £6800 (1995: £6800) is paid to Mr I and Mrs S Smith during the year for use of the business premises.		