
IAN SMITH ELECTRICAL LTD

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 JULY 2003**

M



A37
COMPANIES HOUSE

AOEUJQYD

0748
17/12/03

INDEPENDENT AUDITORS' REPORT TO IAN SMITH ELECTRICAL LTD
Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts of Ian Smith Electrical Ltd for the year ended 31 July 2003 set out on pages 2 to 4, together with the financial statements of the company for the year ended 31 July 2003 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Act to the registrar and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF AUDIT OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



McGregors Corporate

Chartered Accountants
Registered Auditors

90 Nottingham Road
Mansfield
Notts
NG18 1BP

5 December 2003

IAN SMITH ELECTRICAL LTD

ABBREVIATED BALANCE SHEET
As at 31 July 2003

	Note	2003	2002
		£	£
FIXED ASSETS			
Tangible fixed assets	2	110,392	119,232
CURRENT ASSETS			
Stocks		39,508	40,719
Debtors		816,157	348,041
Cash at bank and in hand		902	93,941
		<u>856,567</u>	<u>482,701</u>
CREDITORS: amounts falling due within one year	3	<u>(540,329)</u>	<u>(268,761)</u>
NET CURRENT ASSETS		<u>316,238</u>	<u>213,940</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>426,630</u>	<u>333,172</u>
CREDITORS: amounts falling due after more than one year	3	<u>(30,662)</u>	<u>(16,017)</u>
NET ASSETS		<u><u>£ 395,968</u></u>	<u><u>£ 317,155</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Profit and loss account		395,868	317,055
SHAREHOLDERS' FUNDS		<u><u>£ 395,968</u></u>	<u><u>£ 317,155</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 28 November 2003 and signed on its behalf.



I. P. Smith
Director

The notes on pages 3 to 4 form part of these financial statements.

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 July 2003

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and equipment	-	10%	straight line
Motor vehicles	-	20%	straight line
Office equipment	-	20/33%	straight line

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term.

1.6 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

1.8 Pensions

The company operates three defined contribution pension scheme and the pension charges represent the amounts payable by the company to the funds in respect of the year.

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 July 2003

2. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 August 2002	281,728
Additions	48,984
Disposals	(6,753)
	<u>323,959</u>
At 31 July 2003	
Depreciation	
At 1 August 2002	162,496
Charge for the year	55,064
On disposals	(3,993)
	<u>213,567</u>
At 31 July 2003	
Net book value	
At 31 July 2003	£ 110,392
	<u><u>110,392</u></u>
At 31 July 2002	£ 119,232
	<u><u>119,232</u></u>

3. CREDITORS

Bank loans and overdrafts of £29 (2002:Nil) are secured by an unscheduled mortgage debenture incorporating a fixed and floating charge over the assets of the company.

4. SHARE CAPITAL

	2003 £	2002 £
Authorised		
10,000 Ordinary shares of £1 each	£ 10,000	£ 10,000
	<u><u>10,000</u></u>	<u><u>10,000</u></u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	£ 100	£ 100
	<u><u>100</u></u>	<u><u>100</u></u>

5. TRANSACTIONS WITH DIRECTORS

During the year the company paid rent of £8400 (2002: £8400) to the directors I and S Smith in respect of a property.