
IAN SMITH ELECTRICAL LTD

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 JULY 2004**



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IAN SMITH ELECTRICAL LTD

ABBREVIATED BALANCE SHEET
As at 31 July 2004

	Note	2004	2003
		£	£
FIXED ASSETS			
Tangible fixed assets	2	88,157	110,390
CURRENT ASSETS			
Stocks		66,361	39,508
Debtors		933,709	816,157
Cash in hand		442	902
		<u>1,000,512</u>	<u>856,567</u>
CREDITORS: amounts falling due within one year	3	<u>(493,156)</u>	<u>(540,327)</u>
NET CURRENT ASSETS		<u>507,356</u>	<u>316,240</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>595,513</u>	<u>426,630</u>
CREDITORS: amounts falling due after more than one year	3	<u>(20,497)</u>	<u>(30,662)</u>
NET ASSETS		<u>£ 575,016</u>	<u>£ 395,968</u>
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Profit and loss account		574,916	395,868
SHAREHOLDERS' FUNDS		<u>£ 575,016</u>	<u>£ 395,968</u>

IAN SMITH ELECTRICAL LTD

ABBREVIATED BALANCE SHEET
As at 31 July 2004

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 July 2004 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

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 15 November 2004 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 2004

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 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 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

1.5 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.

1.6 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.

1.7 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.

1.8 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.

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 July 2004

1.9 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.

2. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 August 2003	323,958
Additions	38,178
Disposals	(20,239)
	<u>341,897</u>
At 31 July 2004	
Depreciation	
At 1 August 2003	213,568
Charge for the year	48,267
On disposals	(8,095)
	<u>253,740</u>
Net book value	
At 31 July 2004	£ 88,157
At 31 July 2003	£ 110,390

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

	2004 £	2003 £
Authorised		
10,000 Ordinary shares of £1 each	£ 10,000	£ 10,000
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	£ 100	£ 100

5. TRANSACTIONS WITH DIRECTORS

During the year the company paid rent of £8,400 (2003: £8,400) to the directors I and S Smith in respect of a property.