
IAN SMITH ELECTRICAL LTD

UNAUDITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2006



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IAN SMITH ELECTRICAL LTD

**ABBREVIATED BALANCE SHEET
AS AT 31 JULY 2006**

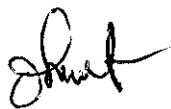
	Note	2006 £	2005 £
FIXED ASSETS			
Tangible fixed assets	2	312,774	282,115
CURRENT ASSETS			
Stocks		36,149	58,755
Debtors		885,433	844,915
Cash at bank and in hand		1,152	30,949
		<u>922,734</u>	<u>934,619</u>
CREDITORS: amounts falling due within one year	3	<u>(436,542)</u>	<u>(605,120)</u>
NET CURRENT ASSETS		<u>486,192</u>	<u>329,499</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>798,966</u>	<u>611,614</u>
CREDITORS: amounts falling due after more than one year		<u>(28,062)</u>	<u>(17,260)</u>
NET ASSETS		<u><u>770,904</u></u>	<u><u>594,354</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Profit and loss account		770,804	594,254
SHAREHOLDERS' FUNDS		<u><u>770,904</u></u>	<u><u>594,354</u></u>

IAN SMITH ELECTRICAL LTD

**ABBREVIATED BALANCE SHEET (continued)
AS AT 31 JULY 2006**

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 Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 July 2006 and of its profit for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 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 and authorised for issue by the board and were signed on its behalf on 15 November 2006.



I P Smith
Director

The notes on pages 3 to 5 form part of these financial statements.

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2006

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 January 2005).

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 January 2005).

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, 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 not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land & buildings	-	2%	straight line
Plant & machinery	-	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 under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.7 Stocks and work in progress

Stocks 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.

IAN SMITH ELECTRICAL LTD

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2006

1. ACCOUNTING POLICIES (continued)

1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.9 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.

2. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 August 2005	508,055
Additions	85,639
Disposals	(16,551)
At 31 July 2006	577,143
Depreciation	
At 1 August 2005	225,940
Charge for the year	51,670
On disposals	(13,241)
At 31 July 2006	264,369
Net book value	
At 31 July 2006	312,774
At 31 July 2005	282,115

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NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2006

2. TANGIBLE FIXED ASSETS (continued)

Included in land and buildings is freehold land at cost of £145,593 (2005 - £120,000), which is not depreciated.

3. CREDITORS:

Amounts falling due within one year

Bank loans and overdrafts of £39,116 (2005: £25,042) are secured by an unscheduled mortgage debenture incorporating a fixed and floating charge over the assets of the company.

4. SHARE CAPITAL

	2006 £	2005 £
Authorised		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

5. TRANSACTIONS WITH DIRECTORS

During the year the company paid rent of £8,400 (2005: £8,400) to the directors I and S Smith in respect of a property.

6. CONTROLLING PARTY

The company is controlled by Mr & Mrs Smith, directors, who control 100% of the issued share capital.