

Company Number: 2729310

**YORKSHIRE SPIN
GALVANISING LIMITED**

ABBREVIATED ACCOUNTS

YEAR ENDED 28 FEBRUARY 1998



YORKSHIRE SPIN GALVANISING LIMITED

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**AUDITORS' REPORT TO
YORKSHIRE SPIN GALVANISING LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 6 together with the financial statements of the company for the year ended 28 February 1998 prepared under section 226 of the Companies Act 1985.

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 are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 6 are properly prepared in accordance with those provisions.

LEEDS
25 August 1998

Pannell Kerr Forster
PANNELL KERR FORSTER
Chartered Accountants
Registered Auditors

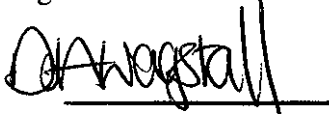
YORKSHIRE SPIN GALVANISING LIMITED
ABBREVIATED BALANCE SHEET
28 FEBRUARY 1998

	Notes	1998 £	1997 £
FIXED ASSETS			
Tangible	2	881,061	223,623
CURRENT ASSETS			
Stocks		125,319	21,295
Debtors		334,229	162,997
Cash at bank and in hand		167,355	138,996
		<u>626,903</u>	<u>323,288</u>
CREDITORS: amounts falling due within one year	3	<u>(399,903)</u>	<u>(214,413)</u>
NET CURRENT ASSETS		<u>227,000</u>	<u>108,875</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,108,061</u>	<u>332,498</u>
CREDITORS: amounts falling due after more than one year	3	(464,408)	(82,155)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(89,414)</u>	<u>(16,921)</u>
NET ASSETS		<u><u>554,239</u></u>	<u><u>233,422</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	276,970	76,970
Other reserves		2,030	2,030
Profit and loss account		275,239	154,422
SHAREHOLDERS' FUNDS		<u><u>554,239</u></u>	<u><u>233,422</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the board on 6 August 1998

Signed on behalf of the board of directors

* 
D J A Wagstaff Director

YORKSHIRE SPIN GALVANISING LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 28 FEBRUARY 1998

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention.

(b) Turnover

Turnover represents sales less allowances, trade discounts and Value Added Tax.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are written off over their estimated useful lives on the following bases:

Plant and machinery	10% reducing balance
Furniture and fixtures	10% reducing balance
Office equipment	25% straight line
Motor vehicles	25% straight line

(d) Finance and operating leases

Assets acquired under finance leases are treated as tangible fixed assets and depreciation is provided accordingly. The value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease.

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

(e) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis. Net realisable value is based on estimated selling price allowing for all further costs of completion.

(f) Grants

Capital grants are treated as deferred income and amortised in line with the depreciation policy of the assets to which the grant relates.

(g) Deferred taxation

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise.

YORKSHIRE SPIN GALVANISING LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 28 FEBRUARY 1998

2 TANGIBLE FIXED ASSETS

	£
Cost	
At 1 March 1997	299,224
Additions	694,685
Disposals	(14,000)
At 28 February 1998	979,909
Depreciation	
At 1 March 1997	75,601
Charge for year	30,539
On disposals	(7,292)
At 28 February 1998	98,848
Net book amount	
At 28 February 1998	881,061
At 28 February 1997	223,623

Motor vehicles with a net book value of **£41,684** (1997:£20,025) included in the above are subject to hire purchase agreements. Depreciation charged in the year on those assets amounted to **£7,628** (1997: £3,466). There is also plant and machinery subject to hire purchase agreements with a net book value of **£324,000** (1997 : £nil) included in the above, no depreciation was charged on these assets.

3 CREDITORS

Creditors amounting to **£520,347** (1997 - £111,818) are secured.

YORKSHIRE SPIN GALVANISING LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 28 FEBRUARY 1998

4 SHARE CAPITAL

	Authorised	Allotted, called up and fully paid	
	£	No.	£
At 1 March 1997			
Ordinary shares of £1 each	24,000	24,000	24,000
Participating preferred ordinary	19,636	19,636	19,636
Convertible redeemable preference	33,334	33,334	33,334
	<u>76,970</u>	<u>76,970</u>	<u>76,970</u>
Movements in year:			
Participating preferred ordinary	(6,712)	(6,712)	(6,712)
Convertible redeemable preference	(33,334)	(33,334)	(33,334)
'A' Redeemable preference	200,000	200,000	200,000
'B' Redeemable preference	42,076	40,046	40,046
	<u>202,030</u>	<u>200,000</u>	<u>200,000</u>
At 28 February 1998			
Ordinary shares of £1 each	24,000	24,000	24,000
Participating preferred ordinary	12,924	12,924	12,924
'A' Redeemable preference	200,000	200,000	200,000
'B' Redeemable preference	42,076	40,046	40,046
	<u>279,000</u>	<u>276,970</u>	<u>276,970</u>

During the year 200,000 'A' cumulative redeemable preference shares with an aggregate nominal value of £200,000 were issued for cash at par. 6,712 of the issued cumulative convertible participating preferred ordinary shares have been converted into 6,712 'B' cumulative redeemable preference shares, and all (33,334 shares) of the convertible redeemable preference shares have been converted into 33,334 'B' cumulative redeemable preference shares. There has been a further 2,030 'B' cumulative redeemable preference shares authorised relating to the £2,030 capital redemption reserve which arose in year ended 28/2/97 due to redemption of shares.

The shares of the company are subject to complex terms set out in the Articles of Association, of which the principal items are as follows:

The 'A' preference shares are cumulative redeemable preference shares and are entitled to a dividend 8% per annum rising to 10% as from 1 March 1998 and to 12% as from 1 March 1999, ranking ahead of all other shares. These shares have no voting rights and are due for redemption on 1 June 2002 at a premium of £1.55 in six equal monthly tranches.

The 'B' preference shares are cumulative redeemable preference shares and are entitled to a dividend of 10% per annum ranking behind the 'A' preference shares. These shares have no voting rights and are due for redemption at £3 per share to be paid in three equal annual instalments starting from 1 September 2000.

YORKSHIRE SPIN GALVANISING LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 28 FEBRUARY 1998

13 SHARE CAPITAL (Continued)

The convertible participating preferred ordinary shares are entitled to dividends ranking behind the 'A' and 'B' preference shares, being the greater of:

- 10% of the subscription price
- 13.5% of the net profit for the financial year
- a dividend per share equal to that of any other share

These shares have voting rights and are available for conversion at any time at the rate of one preferred share for one ordinary share.

The ordinary shares have voting rights, and their rights to income and to capital under termination are subject to the rights of the classes of other shares.