

SMITH SCOTT MULLAN + ASSOCIATES LTD

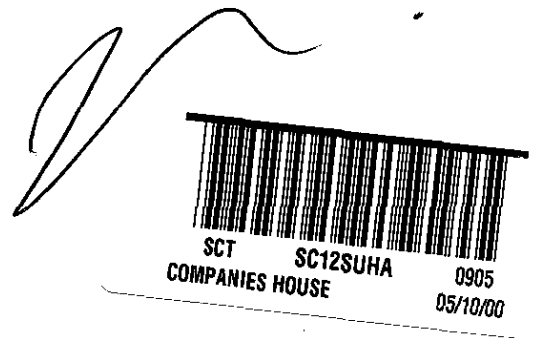
ABBREVIATED FINANCIAL STATEMENTS

30 JUNE 2000

Registered number: 149821

McDONALD GORDON & CO. LTD

CHARTERED CERTIFIED ACCOUNTANTS



SMITH SCOTT MULLAN + ASSOCIATES LTD

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 30 June 2000

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SMITH SCOTT MULLAN + ASSOCIATES LTD**Auditors' report to****under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 2 to 5, together with the financial statements of the company for the year ended 30 June 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered 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 financial statements and that the abbreviated financial statements to be delivered are properly prepared. 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 to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 5 are properly prepared in accordance with those provisions.



McDonald Gordon & Co.Ltd
Registered Auditors
Chartered Certified Accountants

29 September 2000

SMITH SCOTT MULLAN + ASSOCIATES LTD

ABBREVIATED BALANCE SHEET

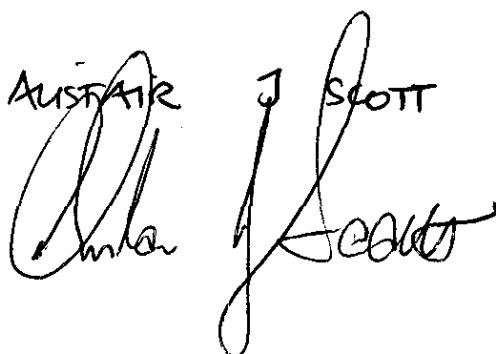
at 30 June 2000

	Note	£	2000 £	£	1999 £
Fixed assets					
Tangible assets	2		14,866		11,447
Current assets					
Stocks		27,000		25,000	
Debtors		36,164		97,961	
Cash at bank and in hand		19,632		7,878	
		82,796		130,839	
Creditors: amounts falling due within one year		(63,508)		(107,315)	
Net current assets			19,288		23,524
Total assets less current liabilities			34,154		34,971
Provision for liabilities and charges			(2,250)		-
			31,904		34,971
Capital and reserves					
Called up share capital	3		24,000		24,000
Profit and loss account			7,904		10,971
Total shareholders' funds			31,904		34,971

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated financial statements on pages 2 to 5 were approved by the board of directors on 7 September 2000 and signed on its behalf by:

Director

AUSTAIR J SCOTT


SMITH SCOTT MULLAN + ASSOCIATES LTD
NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

1 Accounting policies

Basis of accounting

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

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services after deduction of trade discounts and value added tax.

Intangible fixed assets

Goodwill represents the difference between the fair value of the consideration paid on acquisition of a business and the fair value of its separable net assets at the date of acquisition. Goodwill is amortised over its estimated useful life of 5 years straight line.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Motor vehicles	25% reducing balance
Fixtures and fittings	25% reducing balance

Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity.

Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions

Defined contribution scheme

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Pension Contributions

The company make payments to a defined contributions pension scheme for the benefit of two directors and contributions to the personal pension scheme of the third director. These contributions are charged to the profit and loss account as incurred.

SMITH SCOTT MULLAN + ASSOCIATES LTD

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

2 Fixed assets

	Intangible fixed assets £	Tangible fixed assets £	Total £
Cost			
1 July 1999	37,431	37,481	74,912
Additions	-	8,374	8,374
30 June 2000	37,431	45,855	83,286
Depreciation			
1 July 1999	37,431	26,034	63,465
Charge for the year	-	4,955	4,955
Impairment losses	4,534	-	4,534
30 June 2000	41,965	30,989	72,954
Net book amount			
30 June 2000	-	14,866	14,866
1 July 1999	-	11,447	11,447

3 Creditors

	2000 £	1999 £
Creditors include the following amounts:-		
Secured creditors:		
Bank overdrafts	25,140	65,955

The Clydesdale Bank plc holds a bond and floating charge over all assets of the company in respect of all sums due and two of the directors, A Scott and E Mullan have effected personal guarantees amounting to £50,000.

4 Called up share capital

	2000		1999	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	100,000	100,000	100,000	100,000
Allotted called up and fully paid				
Ordinary shares of £1 each	24,000	24,000	24,000	24,000

SMITH SCOTT MULLAN + ASSOCIATES LTD
NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

5 Directors' interests and loans

The directors have effected joint and several guarantees to the Clydesdale Bank amounting to £50,000.

Included in other creditors is a loan from a director as follows:-

	2000	1999
	£	£
E Mullan	44	44
	<u> </u>	<u> </u>
Maximum outstanding during year:-		
E Mullan	44	44
	<u> </u>	<u> </u>