

KELVIN STEELS LIMITED

Registered number: SC 205181

Abbreviated Financial Statements

For the year ended 30 November 2002



KELVIN STEELS LIMITED

Abbreviated Financial Statements

For the year ended 30 November 2002

Contents	Pages
Company Information	1
Independent Auditors' Report	2
Balance Sheet	3
Notes to the Abbreviated Financial Statements	4

KELVIN STEELS LIMITED

Company Information

Directors

B F A Nugent
C R P Nugent
H B Nugent

Secretary

W T Nugent

Registered office

Caledonia House
Thornliebank Industrial Estate
Glasgow
G46 8JT

Registered number

SC 205181

Auditors

Scott-Moncrieff
Chartered Accountants
Registered Auditor
25 Bothwell Street
Glasgow
G2 6NL

KELVIN STEELS LIMITED

Auditors' report to Kelvin Steels Limited under section 247B of the Companies Act 1985

We have examined the abbreviated financial statements set out on pages 3 to 5 together with the financial statements of the company for the year ended 30 November 2002 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 section 246(5) and (6) of the Act to the registrar of companies and whether the abbreviated 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 consider 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 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 financial statements prepared in accordance with section 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 3 to 5 are properly prepared in accordance with those provisions



Scott-Moncrieff
Chartered Accountants
Registered Auditor

25 Bothwell Street
Glasgow
G2 6NL

KELVIN STEELS LIMITED

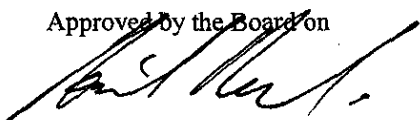
Balance Sheet

At 30 November 2002

	Note	£	2002 £	£	2001 £
Fixed assets					
Intangible assets			29,126		43,689
Tangible assets	2		221,400		206,355
			<u>250,526</u>		<u>250,044</u>
Current assets					
Stocks		265,716		247,866	
Debtors		693,399		736,044	
Cash at bank and in hand		302,516		300,197	
			<u>1,261,631</u>	<u>1,284,107</u>	
Creditors: amounts falling due within one year		1,347,487		1,437,398	
Net current liabilities			<u>(85,856)</u>		<u>(153,291)</u>
Total assets less current liabilities			<u>164,670</u>		<u>96,753</u>
Provisions for liabilities and charges			<u>(20,062)</u>		<u>(20,544)</u>
			<u>144,608</u>		<u>76,209</u>
Capital and reserves					
Called up share capital	3		100		100
Profit and loss account			144,508		76,109
			<u>144,608</u>		<u>76,209</u>

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

Approved by the Board on



H B Nugent
Director

The notes on pages 4 to 5 form part of these financial statements.

KELVIN STEELS LIMITED

Notes to the Abbreviated Financial Statements

For the year ended 30 November 2002

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents amounts invoiced during the year, net of Value Added Tax.

Intangible fixed assets

Intangible fixed assets are stated at cost, and are amortised on a straight line basis over the following periods:

Goodwill - 4 Years

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided to write off the cost of tangible fixed assets as follows:

Plant & Machinery - 10% to 33.33% on cost

Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Finance leases

Assets held under finance leases are treated as tangible fixed assets, and initially recorded at the present value of the minimum lease payments at the inception of the lease. These assets are depreciated over their useful economic lives.

Obligations under finance leases are included within creditors, net of finance charges allocated to future periods.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

Deferred tax

Deferred taxation is provided for at anticipated tax rates on differences arising from the inclusion of items of income and expenditure in taxation computations in periods that differ from those in which they are included in the financial statements.

Pension costs

The company operates a defined contribution scheme in respect of its employees. The assets of the scheme are held separately from those of the company. The pension cost charge represents the amount of the contributions payable to the scheme in respect of the year.

KELVIN STEELS LIMITED

Notes to the Abbreviated Financial Statements

For the year ended 30 November 2002

2 Fixed assets

	Intangible assets £	Tangible assets £	Total £
Cost			
At 1 December 2001	58,252	276,174	334,426
Additions	-	99,282	99,282
Disposals	-	(40,587)	(40,587)
At 30 November 2002	<u>58,252</u>	<u>334,869</u>	<u>393,121</u>
Amortisation and depreciation			
At 1 December 2001	14,563	69,819	84,382
Charge for the year	14,563	58,924	73,487
Disposals	-	(15,274)	(15,274)
At 30 November 2002	<u>29,126</u>	<u>113,469</u>	<u>142,595</u>
Net book value			
At 30 November 2002	<u>£29,126</u>	<u>£221,400</u>	<u>£250,526</u>
At 30 November 2001	<u>£43,689</u>	<u>£206,355</u>	<u>£250,044</u>

3 Share capital

	2002 £	2001 £
Authorised		
Equity		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
Equity		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

4 Related Parties

Kelvin Steels (England) Limited, Kelvin Steels Limited, Precision Components (Scotland) Limited, Yachts Limited, Rosecourt Limited and Millbry 421 Limited are wholly owned subsidiaries of Arran Holdings Limited.

During the year Kelvin Steels Limited sold goods totalling £84,957 (2001 - £39,272) to Kelvin Steels (England) Limited and purchased goods totalling £489,366 (2001 - £650,088).

During the year the company paid management charges to Arran Holdings Limited of £nil (2001 - £92,000) and paid rent and insurance charges totalling £57,507 (2001 - £59,152).

Precision Components (Scotland) Limited, Yachts Limited, Rosecourt Limited and Millbry 421 Limited are dormant companies and there were no transactions in the year between the parties.

At 30 November 2002 included within current debtors is £59,786 (2001 - £51,406) owed by group companies and within current liabilities are amounts owed to group companies totalling £931,518 (2001 - £984,418).