



PENDEFORD METAL SPINNINGS LIMITED

ABBREVIATED ACCOUNTS

for the year from 1 August 1997 to 31 July 1998

Company number : 1013760

BENTLEY JENNISON

CHARTERED ACCOUNTANTS  
AND REGISTERED AUDITORS

AUDITORS' REPORT TO PENDEFORD METAL SPINNINGS LIMITED

UNDER SECTION 247 B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 31 July 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 of companies and whether the accounts 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 accounts and that the abbreviated accounts 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 accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



Bentley Jennison  
Chartered Accountants  
and Registered Auditors

2 December 1998

2 Hollinswood Court  
Stafford Park 1  
Telford  
TF3 3BD

## PENDEFORD METAL SPINNINGS LIMITED

## Abbreviated balance sheet at 31 July 1998

	Notes	1998 £	1997 £
<b>FIXED ASSETS</b>			
Tangible assets	2	94,403	106,150
Investments	2	16,004	13,962
		<u>110,407</u>	<u>120,112</u>
<b>CURRENT ASSETS</b>			
Stocks		133,289	137,280
Debtors		171,423	160,212
Cash at bank and in hand		60	173
		<u>304,772</u>	<u>297,665</u>
<b>CREDITORS : Amounts falling due within one year</b>	3	<u>(223,844)</u>	<u>(222,296)</u>
<b>NET CURRENT ASSETS</b>		<u>80,928</u>	<u>75,369</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>191,335</u>	<u>195,481</u>
<b>CREDITORS : Amounts falling due after more than one year</b>	3	<u>(50,500)</u>	<u>(50,981)</u>
<b>NET ASSETS</b>		<u>140,835</u>	<u>144,500</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	1,000	1,000
Share premium account		14,023	14,023
Profit and loss account		125,812	129,477
<b>SHAREHOLDERS' FUNDS</b>		<u>140,835</u>	<u>144,500</u>

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

Approved by the Board on 1<sup>st</sup> December 1998 and signed on its behalf by:

R W Humphries  )  
 N J Humphries  ) Directors

## PENDEFORD METAL SPINNINGS LIMITED

Notes to the abbreviated accounts  
for the year ended 31 July 1998**1 ACCOUNTING POLICIES****Basis of accounting**

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

**Depreciation**

Depreciation is calculated to write off fixed assets over their estimated useful lives as follows:

Freehold property	2.5%	Reducing Balance
Motor vehicles	25%	Reducing Balance
Plant & equipment	20%	Reducing Balance
Fixtures & fittings	20%, 33.3%	Reducing Balance

**Leases and hire purchase contracts**

Assets held under hire purchase contracts are capitalised in the balance sheet and are depreciated in accordance with the company's depreciation policy. The interest element of the rental obligation is charged to the profit and loss account over the period of the hire purchase contract and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

**Stock and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost includes direct materials, labour and manufacturing overheads incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less further costs to completion and selling costs.

**Deferred taxation**

Provision is made for deferred taxation using the liability method to the extent that it is considered likely that a liability will crystallise in the foreseeable future.

**Foreign currencies**

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates and the exchange differences are included in the profit and loss account.

**Pensions**

The company operates various defined contribution pension schemes. Contributions payable for the year are charged in the profit and loss account.

## PENDEFORD METAL SPINNINGS LIMITED

Notes to the abbreviated accounts  
for the year ended 31 July 1998

## 1 ACCOUNTING POLICIES (continued)

## Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

## 2 FIXED ASSETS

	Tangible fixed assets £	Fixed asset investments £	Total £
<b>Cost</b>			
1 August 1997	302,325	13,962	316,287
Additions	680	2,042	2,722
Disposals	(18,975)	-	(18,975)
	<hr/>	<hr/>	<hr/>
31 July 1998	284,030	16,004	300,034
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
1 August 1997	196,175	-	196,175
Charge for the year	10,803	-	10,803
Disposals	(17,351)	-	(17,351)
	<hr/>	<hr/>	<hr/>
31 July 1998	189,627	-	189,627
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
31 July 1998	94,403	16,004	110,407
	<hr/>	<hr/>	<hr/>
31 July 1997	106,150	13,962	120,112
	<hr/>	<hr/>	<hr/>

## 3 CREDITORS

	1998 £	1997 £
<b>Creditors include secured liabilities</b>		
Bank overdraft	59,068	41,412
Bank loan	50,500	50,500
	<hr/>	<hr/>
	109,568	91,912
	<hr/>	<hr/>

The bank loan is repayable in more than 5 years and otherwise than by instalments.

## PENDEFORD METAL SPINNINGS LIMITED

Notes to the abbreviated accounts  
for the year ended 31 July 1998

## 4 CALLED UP SHARE CAPITAL

	1998		1997	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

## 5 TRANSACTIONS INVOLVING DIRECTORS

The following loans to directors were outstanding during the year:

	1998	1997	Maximum in year
	£	£	£
L M Hulme	<u>109</u>	<u>109</u>	<u>109</u>