



PENDEFORD METAL SPINNINGS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 31 July 1995

Company number : 1013760

BENTLEY JENNISON

CHARTERED ACCOUNTANTS
AND REGISTERED AUDITORS

**REPORT OF THE AUDITORS TO THE DIRECTORS OF
PENDEFORD METAL SPINNINGS LIMITED
UNDER PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages 3 to 6 together with the full financial statements of the company, prepared under section 226 of the Companies Act 1985 for the year ended 31 July 1995.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statements on page 3 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. 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 under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 July 1995 and the abbreviated financial statements on pages 3 to 5 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On *15 November 1995* we reported, as auditors of Pendeford Metal Spinnings Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 July 1995, and our audit report was as follows:

'We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**REPORT OF THE AUDITORS TO THE DIRECTORS OF
PENDEFORD METAL SPINNINGS LIMITED
UNDER PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 July 1995 and the loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 as applicable to small companies.



Bentley Jennison
Chartered Accountants
and Registered Auditors

15 November 1995

2 Hollinswood Court
Stafford Park 1
Telford
TF3 3BD

PENDEFORD METAL SPINNINGS LIMITED

Abbreviated balance sheet as at 31 July 1995

	Notes	1995 £	1994 £
FIXED ASSETS			
Tangible assets	2	118,673	132,718
Investments	2	9,878	7,835
		<u>128,551</u>	<u>140,553</u>
CURRENT ASSETS			
Stocks		103,093	102,380
Debtors		142,395	159,211
Cash at bank and in hand		2	181
		<u>245,490</u>	<u>261,772</u>
CREDITORS : Amounts falling due within one year	3	<u>(183,449)</u>	<u>(173,118)</u>
NET CURRENT ASSETS		<u>62,041</u>	<u>88,654</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		190,592	229,207
CREDITORS : Amounts falling due after more than one year	3	(51,093)	(53,447)
NET ASSETS		<u>139,499</u>	<u>175,760</u>
CAPITAL AND RESERVES			
Called up share capital	4	1,000	1,000
Share premium account		14,023	14,023
Profit and loss account		124,476	160,737
		<u>139,499</u>	<u>175,760</u>

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 of the Companies Act 1985 and have done so on the grounds that in their opinion the company is entitled to these exemptions as a small company.

The directors have taken advantage of the special exemptions conferred by Part I of Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those special exemptions as a small company.

Approved by the Board on 10th November 1995 and signed on its behalf by :

R W Humphries

L M Hulme

Directors

PENDEFORD METAL SPINNINGS LIMITED

Notes to the financial statements for the year ended 31 July 1995

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.

Stocks 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.

Pensions

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

Investments

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

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated that tax will be payable.

PENDEFORD METAL SPINNINGS LIMITED

Notes to the financial statements for the year ended 31 July 1995

2 FIXED ASSETS

	Tangible assets £	Investments £	Total £
Cost			
At 1 August 1994	314,442	7,835	322,277
Additions	4,722	2,043	6,765
Disposals	(7,250)	-	(7,250)
At 31 July 1995	<u>311,914</u>	<u>9,878</u>	<u>321,792</u>
Depreciation			
At 1 August 1994	181,724	-	181,724
Charge for the year	15,819	-	15,819
Disposals	(4,302)	-	(4,302)
At 31 July 1995	<u>193,241</u>	<u>-</u>	<u>193,241</u>
Net book value			
At 31 July 1995	<u>118,673</u>	<u>9,878</u>	<u>128,551</u>
At 31 July 1994	<u>132,718</u>	<u>7,835</u>	<u>140,553</u>

The net book value of plant and machinery includes £5,915 (1994 - £7,252) in respect of assets held under hire purchase contracts.

3 CREDITORS

Included in creditors are the following amounts which are secured.

	1995 £	1994 £
Amounts falling due within one year		
Bank overdraft	62,958	76,299
Amounts falling due after more than one year		
Bank loan	<u>50,500</u>	<u>50,500</u>
	<u>113,458</u>	<u>126,799</u>

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

PENDEFORD METAL SPINNINGS LIMITED

Notes to the financial statements for the year ended 31 July 1995

4 CALLED UP SHARE CAPITAL

	1995		1994	
	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>