

REPORT AND ABBREVIATED ACCOUNTS

PENDEFORD METAL
SPINNINGS LIMITED

JULY 31, 1992



REPORT OF THE AUDITORS

to the directors of Pendeford Metal Spinnings Limited
pursuant to paragraph 8 of Schedule 8 to the Companies Act 1985

We have examined the accounts on pages 3 to 5 together with the full accounts of Pendeford Metal Spinnings Limited for the year ended July 31, 1992. The scope of our work for the purposes of this report was limited to confirming that the directors are entitled to deliver abbreviated accounts and that the abbreviated accounts on pages 3 to 5 have been properly prepared from the full accounts.

In our opinion, the directors are entitled under sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts in respect of the year ended July 31, 1992 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with Schedule 8 to that Act.

On November 2, 1992, we reported as auditors of Pendeford Metal Spinnings Limited to the members on the full accounts prepared under Section 226 of the Companies Act 1985 for the year ended July 31, 1992, and our audit report was as follows:

"We have audited the accounts on pages 4 to 11 in accordance with Auditing Standards.

In our opinion, the accounts give a true and fair view of the state of affairs of the company at July 31, 1992 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985".

Tandy & Co

Tandy & Co.
Chartered Accountants
Registered Auditor
Telford

November 2, 1992

Pendeford Metal Spinings Limited

ABBREVIATED BALANCE SHEET

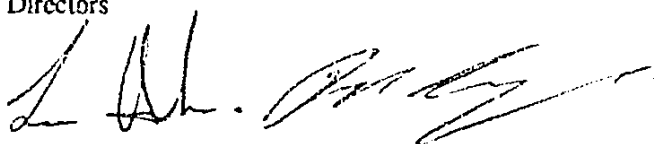
at July 31, 1992

	Notes	1992 £	1991 £
FIXED ASSETS			
Tangible assets		150,180	137,059
Investments		3,747	1,703
		<u>153,927</u>	<u>138,762</u>
CURRENT ASSETS			
Stocks		142,254	115,007
Debtors		200,580	189,601
Cash at bank and in hand		88	51
		<u>343,192</u>	<u>304,659</u>
CREDITORS: amounts falling due within one year	3	(192,881)	(150,319)
NET CURRENT ASSETS		<u>150,311</u>	<u>154,340</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>304,238</u>	<u>293,102</u>
CREDITORS: amounts falling due after more than one year	3	(61,267)	(53,320)
		<u>242,971</u>	<u>239,782</u>
CAPITAL AND RESERVES			
Called up share capital	4	1,000	1,000
Capital reserve		14,023	14,023
Profit and loss account	5	227,948	224,759
		<u>242,971</u>	<u>239,782</u>

In preparing these abbreviated accounts, we have relied on sections 246 and 247 of the Companies Act 1985 as enabling us to deliver accounts abbreviated as for a small company.

R.W. Humphries)
L.M. Hulme) Directors

November 2, 1992



Pendeford Metal Spinings Limited

NOTES TO THE ABBREVIATED ACCOUNTS

at July 31, 1992

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value, of each asset over its expected useful life, as follows:

Freehold buildings	-	2.5%
Plant and machinery	-	20%
Office furniture	-	20%
Motor vehicles	-	25%

Stocks

Stocks are stated at the lower of cost and net realisable value as follows:

Cost incurred in bringing each product to its present location and condition:

Raw materials	-	purchase cost on a first-in, first-out basis.
Work in progress and finished goods	-	cost of direct materials and labour.

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

Deferred taxation

Deferred taxation is provided on the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

Hire purchase commitments

Assets held under hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the contract and represents a constant proportion of the balance of capital repayments outstanding.

Pensions

The company operates various defined contribution pension schemes. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes.

2. AUDITORS REMUNERATION

Auditors remuneration for the year ended July 31, 1992 is £1,350 (1991 : £1,250).

Pendeford Metal Spinnings Limited

NOTES TO THE MODIFIED ACCOUNTS

at July 31, 1992

3. TANGIBLE FIXED ASSETS

	<i>Freehold land and buildings</i>	<i>Plant and machinery</i>	<i>Office furniture and equipment</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£	£	£
Cost:					
At August 1, 1991	100,695	110,385	3,018	53,484	267,582
Additions	-	15,186	5,125	17,640	37,951
Disposals	-	(255)	-	(11,019)	(11,274)
At July 31, 1992	100,695	125,316	8,143	60,105	294,259
Depreciation:					
At August 1, 1991	33,442	67,559	2,430	27,092	130,523
Provided during the year	1,665	9,977	684	7,228	19,554
Disposals	-	(61)	-	(5,937)	(5,998)
At July 31, 1992	35,107	77,476	3,114	28,383	144,079
Net book value:					
At July 31, 1992	65,588	47,841	5,029	31,722	150,180
At August 1, 1991	67,253	42,826	588	26,392	137,059

The net book value of motor vehicles of £31,722 (1991 : £26,392) includes an amount of £26,447 (1991 : £19,083) in respect of assets held under hire purchase contracts. Included in the net book value of plant and machinery of £47,841 (1991 : £42,826) is an amount of £10,932 (1991 : £Nil) in respect of assets held under hire purchase contracts.

4. BANK LOAN AND OVERDRAFT

The bank loan and overdraft included within creditors are secured by legal charges over the freehold land and buildings and a fixed and floating charge over the assets of the company.

5. SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	<i>1992</i>	<i>1991</i>	<i>1992</i>	<i>1991</i>
	<i>No.</i>	<i>No.</i>	<i>£</i>	<i>£</i>
Ordinary shares of £1 each	1,000	1,000	1,000	1,000