

1982537

SALISBURY FORCE (1986) LIMITED

ACCOUNTS

2003



DAVID H. JOHNSON. F.A.P.A., ~~ASSA~~

19 FULLERS CLOSE,

COLLIER ROW, ESSEX, RM5 3JS

SALISBURY FORGE (1986) LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 30th APRIL 2003

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SALISBURY FORGE (1986) LIMITED

COMPANY INFORMATION

Directors	C.M. Cumbers (Chairman) G.R. Saunders
Secretary	C.M. Cumbers
Registered Office	173, Victoria Road, Romford, Essex, RM1 2NP.
Company Number	01982537
Accountant	David H. Johnson, FAPA., 19, Fullers Close, Collier Row, Essex, RM5 3JS.
Bankers	National Westminster Bank Plc., 10, South Street, Romford, Essex, RM1 1RD.

SALISBURY FORGE (1986) LIMITED

REPORT OF THE DIRECTORS

The Directors present their Report and Accounts for the Year ended 30th April 2003.

**Principal Activity**

The principal activity of the Company is that of Manufacture and Sale of Ornamental Iron Gates, Gas Fires and Dog Guards.

**Review of the Business**

Turnover has decreased slightly whilst overheads have also decreased following steps that the Directors took in December 2002. In the current year further actions have been taken and at the date of these Accounts indebtedness has been substantially reduced.

**Events Since the End of the Year**

There have been no events since the Balance Sheet date which materially affect the position of the Company other than the resignation of a Director.

**Results and Dividend**

The Results for the Year are set out in the accompanying financial statements.

The Directors do not recommend the payment of a dividend for the Year.


**Directors**

The Directors of the Company during the Year and their interests in the shares of the Company were :

	<u>2003</u>		<u>2002</u>	
	<u>A SHARES</u>	<u>B SHARES</u>	<u>A SHARES</u>	<u>B SHARES</u>
G.R. Saunders	8	25	8	25
A.F. Clark (to 31.7.2003)	9	25	9	25
C.M. Cumbers	8	25	8	25

The Directors' Report is prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies.

**On Behalf of the Board**



C.M. Cumbers (Chairman)  
173, Victoria Road,  
Romford,  
Essex, RM1 2NP.

16th JANUARY 2004

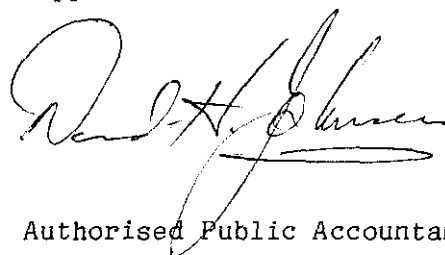
ACCOUNTANT'S REPORT  
ON THE UNAUDITED ACCOUNTS TO THE DIRECTORS OF  
SALISBURY FORGE (1986) LIMITED

As described on the Balance Sheet you are responsible for the preparation of the Accounts for the year ended 30th April 2003 which consist of the Profit and Loss Account, Balance Sheet and Notes to the Accounts, and you consider that the Company is exempt from an audit and a report under Section 249A(2) of the Companies Act 1985.

In accordance with your instructions, I have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to me

19, Fullers Close,  
Collier Row,  
Essex, RM5 3JS.

FEBRUARY 4 2004

  
Authorised Public Accountant

SALISBURY FORGE (1986) LIMITED  
PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30th APRIL 2003

		<u>2003</u>	<u>2002</u>
<u>TURNOVER</u>	(Note 2)	118,051	119,755
Cost of Sales		84,463	86,025
		-----	-----
<u>GROSS PROFIT</u>		33,588	33,730
<u>EXPENSES :</u>			
Administration and			
Establishment Costs	31,535	33,304	
Financial Costs	7,555	8,435	
	-----	-----	
		39,090	41,739
		-----	-----
<u>OPERATING LOSS BEFORE TAXATION</u>		( 5,502)	( 8,009)
Bank Deposit Interest		-	6
		-----	-----
<u>LOSS ON ORDINARY ACTIVITIES</u>			
<u>AFTER TAXATION</u>		( 5,502)	( 8,003)
Accumulated (Losses) Profits			
Brought Forward		( 7,738)	265
		-----	-----
<u>ACCUMULATED LOSSES CARRIED FORWARD</u>		£( 13,240)	£( 7,738)
		=====	=====

**Note :** There are no recognised gains or losses other than the loss for the year;  
and

the difference between the reported loss and the loss on an historical  
cost basis is not considered to be material.

The attached Notes form part of these Accounts

SALISBURY FORGE (1986) LIMITED  
BALANCE SHEET as at 30th APRIL 2003

	<u>NOTES</u>	<u>2003</u>	<u>2002</u>
<u>FIXED ASSETS</u>			
Intangible Assets	7	-	-
Tangible Assets	8	663	9,809
		-----	-----
		663	9,809
<u>CURRENT ASSETS</u>			
Stocks	9	15,000	16,765
Trade Debtors		2,499	335
Prepaid Expenses		2,404	2,493
Cash in Hand		447	307
		-----	-----
		£20,350	£19,900
		=====	=====
<u>CREDITORS</u> : Amounts falling due within one Year			
Trade Creditors		7,530	6,992
Taxation : P.A.Y.E.		403	1,041
Value Added Tax		4,014	4,495
Accrued Expenses		3,631	4,524
Customer Deposits		4,444	3,110
Directors' Current Accounts		4,969	8,253
Hire Purchase Accounts		966	3,740
Bank Overdraft	10	8,196	4,334
		-----	-----
		£34,153	£36,489
		=====	=====
<u>NET CURRENT LIABILITIES</u>		(13,803)	(16,589)
		-----	-----
		(13,140)	( 6,780)
<u>CREDITORS</u> : Amounts falling due after one year			
Hire Purchase Accounts		-	858
		-----	-----
<u>TOTAL NET LIABILITIES</u>		£(13,140)	£( 7,638)
		=====	=====
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	11	100	100
Profit and Loss Account		(13,240)	( 7,738)
		-----	-----
<u>DEFICIENCY</u>		£(13,140)	£( 7,638)
		=====	=====

SALISBURY FORGE (1986) LIMITED  
BALANCE SHEET as at 30th APRIL 2003

For the year ended 30th April 2003 the Company was entitled to exemption under subsection (1) of Section 249A of the Companies Act 1985.

No Notice has been deposited under Section 249B(2) of the Act in relation to accounts for the financial period.

The Directors acknowledge their responsibilities for :

- (1) ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985 ; and
- (2) preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Act, and which otherwise comply with the requirements of the Act relating to Accounts, so far as applicable to the Company.

The Accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Directors on 16th January 2004 and signed on their behalf by :



C.M. Cumbers (Chairman)

The attached Notes form part of these Accounts



SALISBURY FORGE (1986) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30th APRIL 2003

**1 Statement of Directors' Responsibilities**

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to :

- \* select suitable accounting policies and then apply them consistently;
- \* make judgments and estimates that are reasonable and prudent;
- \* state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- \* prepare the statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**2 Accounting Policies**

**(a) Basis of Accounting**

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention.

The principal accounting policies which the Directors have adopted within that convention are set out below.

**(b) Turnover**

Turnover consists of the invoiced value (excluding Value Added Tax) of goods supplied to third parties.

**(c) Depreciation**

Depreciation is provided so as to reduce fixed assets to their estimated residual value at the end of their anticipated useful lives at the following rates :

Plant and Equipment	25%	straight line basis
Motor Vehicle	25%	reducing balance basis

SALISBURY FORGE (1986) LIMITED  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30th APRIL 2003

**2 Accounting Policies (continued)**

**(d) Goodwill**

Acquired Goodwill is written off in equal instalments over the estimated useful economic life. The rate of amortisation was 10% per annum on the straight line basis. the book value has now reduced to Nil.

**(e) Stocks**

Stock and Work in Progress are stated at the lower of cost and net realisable value.

Cost is determined on a first-in first-out basis. The cost of work in progress and finished goods comprises materials, direct labour and attributable production overheads.

Net realisable value is based on the estimated selling price after taking into account any further costs anticipated before disposal.

**(f) Taxation**

The charge for taxation is based on the Profit for the year.

Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future.

**(g) Going Concern Basis**

These Accounts have been prepared on the going concern basis although the position is one of insolvency. At present the Directors are funding the deficit and consider that the Company is able to continue to trade.

**3 Operating Loss**

	<u>2003</u>	<u>2002</u>
Operating Loss is stated after charging :		
Depreciation of Fixed Assets	3,156	3,268
Accountancy	2,146	2,250
Bank charges and Interest	1,657	1,585
Hire Purchase Charges	283	1,059
	=====	=====
and after including :		
Bank Interest Received Gross	-	6
	=====	=====

SALISBURY FORGE (1986) LIMITED  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30th APRIL 2003

4 **Employees**

	<u>2003</u>	<u>2002</u>
Average number of people (including Directors) employed by the Company during the year :		
Production	5 =	5 =
Costs in respect of these employees :		
Wages and Salaries	45,556	49,332
Social Security Costs	3,980	4,788
Pension Costs, Etc.	2,262	2,468
Benefits	11,241	13,454
	-----	-----
	£63,039	£70,042
	=====	=====

5 **Directors' Remuneration**

(a) **Emoluments**

Production and Management Remuneration	£28,260	£32,760
	=====	=====

(b) **Emoluments excluding Pension contributions**

Highest Paid Director (Chairman)	£ 9,420	£10,920
	=====	=====

Number of Other Directors whose emoluments  
fell within the bands stated :

£5,001 - £10,000	2	-
£10,001 - £15,000	-	2
	=	=

6 **Taxation**

Taxation charge for the year :	£ Nil	£ Nil
	=====	=====

There is no liability for deferred taxation (2002 - Nil).

7 **Intangible Fixed Assets**

Goodwill

Cost on Acquisition and 30th April 2003	10,000	10,000
Amortisation to 30th April 2003	10,000	10,000
	-----	-----
Net Book Value at 30th April 2003	£ Nil	£ Nil
	=====	=====

SALISBURY FORGE (1986) LIMITED  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30th APRIL 2003

**8 Tangible Fixed Assets**

	<u>PLANT AND MACHINERY</u>	<u>OFFICE EQUIPMENT</u>	<u>MOTOR VEHICLES</u>	<u>TOTALS</u>
Cost to 30th April 2002	2,577	1,176	21,490	25,243
Disposals	-	-	(17,490)	(17,490)
	-----	-----	-----	-----
Cost to 30th April 2003	£2,577	£1,176	£ 4,000	£ 7,753
	=====	=====	=====	=====
Depreciation to 30th April 2002	2,406	1,176	11,852	15,434
Written Back on Disposals	-	-	( 8,565)	( 8,565)
Charge for the Year	43	-	178	221
	-----	-----	-----	-----
Depreciation to 30th April 2003	£2,449	£1,176	£ 3,465	£ 7,090
	=====	=====	=====	=====
Net Book Value at 30th April 2003	£ 128	£ -	£ 535	£ 663
	=====	=====	=====	=====
Net Book Value at 30th April 2002	£ 171	£ -	£ 9,638	£ 9,809
	=====	=====	=====	=====

The Directors consider that the value of Fixed Assets is consistent with the above Net Book Values.

**9 Stocks**

	<u>2003</u>	<u>2002</u>
Work in Progress	5,000	5,600
Raw materials	1,300	1,410
Finished Goods	8,700	9,755
	-----	-----
	£15,000	£16,765
	=====	=====

**10 Bank Overdraft**

The Bank Overdraft is secured by personal guarantee of the Directors.

**11 Called up Share Capital**

Authorised	-	100 Ordinary Shares of £1 each.
Issued and Fully Paid	-	100 Ordinary Shares of £1 each.

**12 Related Party Transactions**

There have been no transactions involving related parties during the Year.

SALISBURY FORGE (1986) LIMITED  
TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30th APRIL 2003

	<u>2003</u>	<u>2002</u>
<u>SALES</u>	118,051	119,755
<u>COST OF SALES</u>		
Purchases	34,632	31,084
Directors' Remuneration	28,260	32,760
Wages	17,296	16,572
Social Security	3,980	4,788
Plant Hire	30	136
Sub-Contract	265	685
	-----	-----
	84,463	86,025
	-----	-----
<u>GROSS PROFIT</u>	33,588	33,730
<u>ADMINISTRATION AND ESTABLISHMENT COSTS</u>		
Rent	12,767	12,500
Rates and Water	5,104	5,030
Insurances	2,315	3,067
Light, Heat and Power	1,459	1,316
Motor Expenses	5,825	6,189
Postage and Stationery	62	360
Telephone	526	566
Advertising	946	1,135
Laundry, Cleaning and Welfare	242	316
Pension Scheme, Etc.	2,262	2,468
Repairs and Renewals	-	130
Miscellaneous	27	227
	-----	-----
	31,535	33,304
	-----	-----
<u>TRADING PROFIT</u>	2,053	426
<u>FINANCIAL COSTS</u>		
Accountancy	2,146	2,250
Bank Charges	1,657	1,585
Credit Card Charges	313	273
Hire Purchase Charges	283	1,059
Depreciation of Fixed Assets	3,156	3,268
	-----	-----
	7,555	8,435
	-----	-----
<u>NET LOSS FOR THE YEAR</u>	£( 5,502)	£( 8,009)
	=====	=====