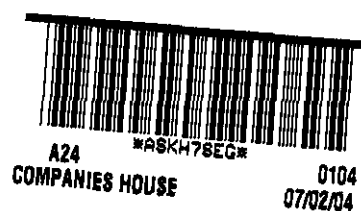


Company Registration No. 3240923 (England and Wales)

**SMITH BROS. MARINE LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2002**



**SMITH BROS. MARINE LIMITED**

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# **SMITH BROS. MARINE LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO SMITH BROS. MARINE LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts set out on pages 3 to 6 , together with the financial statements of the company for the period ended 31 August 2002 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

### **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 audit opinion**

We have carried out the procedures we considered 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 3 to 6 are properly prepared in accordance with those provisions.

### **Other information**

On 3 February 2004 we reported, as auditors of Smith Bros. Marine Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the period ended 31 August 2002, and our audit report was as follows:

"We have audited the financial statements of Smith Bros. Marine Limited on pages 5 to 11 for the period ended 31 August 2002. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

# SMITH BROS. MARINE LIMITED

## INDEPENDENT AUDITORS' REPORT TO SMITH BROS. MARINE LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

### Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below. 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. However, the evidence available to us was limited as there was insufficient evidence to support the closing stock figure of £98,943. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Qualified opinion arising from limitation of scope

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning closing stock, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In respect alone of the limitation on our audit work relating to closing stock:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether proper accounting records had been maintained."



Flander Tovell LLP

Chartered Accountants  
Registered Auditor

3<sup>rd</sup> February 2004

Stag Gates House  
63/64 The Avenue  
Southampton  
SO17 1XS

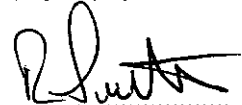
# SMITH BROS. MARINE LIMITED

## ABBREVIATED BALANCE SHEET AS AT 31 AUGUST 2002

	Notes	2002 £	£	2001 £	£
<b>Fixed assets</b>					
Tangible assets	2		91,970		114,290
<b>Current assets</b>					
Stocks		98,943		129,574	
Debtors	3	623,485		380,076	
Cash at bank and in hand		169,135		114,768	
		<u>891,563</u>		<u>624,418</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(562,632)</u>		<u>(402,231)</u>	
<b>Net current assets</b>			328,931		222,187
<b>Total assets less current liabilities</b>			420,901		336,477
<b>Creditors: amounts falling due after more than one year</b>	4		(45,738)		(62,306)
<b>Provisions for liabilities and charges</b>			<u>(2,251)</u>		<u>(1,991)</u>
			<u>372,912</u>		<u>272,180</u>
<b>Capital and reserves</b>					
Called up share capital	5		100		100
Profit and loss account			372,812		272,080
<b>Shareholders' funds</b>			<u>372,912</u>		<u>272,180</u>

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

The financial statements were approved by the Board on 28/01/04



Richard Smith  
Director

# SMITH BROS. MARINE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2002

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### 1 Accounting policies

#### 1.1 Accounting convention

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

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

#### 1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### 1.5 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

#### 1.6 Long term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

#### 1.7 Pensions

# SMITH BROS. MARINE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2002

### 2 Fixed assets

	<b>Tangible assets £</b>
<b>Cost</b>	
At 1 September 2001	195,109
Additions	10,006
Disposals	(6,500)
	<hr/>
At 31 August 2002	198,615
	<hr/>
<b>Depreciation</b>	
At 1 September 2001	80,819
On disposals	(2,844)
Charge for the year	28,670
	<hr/>
At 31 August 2002	106,645
	<hr/>
<b>Net book value</b>	
At 31 August 2002	91,970
	<hr/> <hr/>
At 31 August 2001	114,290
	<hr/> <hr/>

### 3 Debtors

Debtors include an amount of £14,384 (2001 - £19,003 ) which is due after more than one year.

### 4 Creditors: amounts falling due after more than one year

The aggregate amount of creditors for which security has been given amounted to £66,749 (2001 - £83,607 ).

### 5 Share capital

	<b>2002 £</b>	<b>2001 £</b>
<b>Authorised</b>		
100 Ordinary shares of £ 1 each	100	100
	<hr/>	<hr/>
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £ 1 each	100	100
	<hr/>	<hr/>

# SMITH BROS. MARINE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2002

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### 6 Transactions with directors

The following directors had interest free loans during the year. The movement on these loans are as follows:

	Amount outstanding		Maximum
	2002	2001	in year
	£	£	£
Richard Smith	112,707	38,006	112,707
Roger Smith	100,000	38,005	100,000