

Registered number 779140

**BROWNS OF WEM LIMITED**

**ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2011**



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**BROWNS OF WEM LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO BROWNS OF WEM LIMITED  
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of Browns of Wem Limited for the year ended 31 March 2011 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. 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 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin 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 are properly prepared.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with the regulations made under that section.



Mr G Murphy BA FCA (Senior statutory auditor)

for and on behalf of

**Whittingham Riddell LLP**

Chartered Accountants & Registered Auditors

Hafren House  
5 St Giles Business Park  
Shropshire  
Newtown  
SY16 3AJ

21 December 2011

**BROWNS OF WEM LIMITED**  
**REGISTERED NUMBER 779140**

**ABBREVIATED BALANCE SHEET**  
**AS AT 31 MARCH 2011**

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Tangible assets	2	65,407	79,541
<b>CURRENT ASSETS</b>			
Stocks		640,453	500,515
Debtors		171,588	226,171
Cash in hand		572	(187)
		<u>812,613</u>	<u>726,499</u>
<b>CREDITORS: amounts falling due within one year</b>	3	<u>(508,353)</u>	<u>(439,294)</u>
<b>NET CURRENT ASSETS</b>		<u>304,260</u>	<u>287,205</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>369,667</u>	<u>366,746</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	20,001	20,001
Share premium account		300,000	300,000
Profit and loss account		49,666	46,745
<b>SHAREHOLDERS' FUNDS</b>		<u>369,667</u>	<u>366,746</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 21 December 2011



**C R M Marsh**  
Director

The notes on pages 3 to 5 form part of these financial statements

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## **BROWNS OF WEM LIMITED**

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### **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011**

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#### **1 ACCOUNTING POLICIES**

##### **1.1 Basis of preparation of financial statements**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

##### **1.2 Cash flow**

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008)

##### **1.3 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

##### **1.4 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Plant & Machinery	-	10% straight line
Motor Vehicles	-	25% straight line
Fixtures & Fittings	-	10-33% straight line

##### **1.5 Operating leases**

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

##### **1.6 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

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## BROWNS OF WEM LIMITED

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### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

##### 1.8 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

#### 2. TANGIBLE FIXED ASSETS

	£
<b>Cost</b>	
At 1 April 2010	350,338
Additions	9,233
Disposals	(14,350)
At 31 March 2011	345,221
<b>Depreciation</b>	
At 1 April 2010	270,797
Charge for the year	22,167
On disposals	(13,150)
At 31 March 2011	279,814
<b>Net book value</b>	
At 31 March 2011	65,407
At 31 March 2010	79,541

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**BROWNS OF WEM LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2011**

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**3. CREDITORS:**

**Amounts falling due within one year**

The bank overdraft of £11,170 (2010 £30,272) is secured by a fixed and floating charge over the undertaking and all property and assets

**4. SHARE CAPITAL**

	<b>2011 £</b>	<b>2010 £</b>
<b>Allotted, called up and fully paid</b>		
20,001 Ordinary shares of £1 each	<b>20,001</b>	<b>20,001</b>