



BROWNS OF WEM LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 1992

WHITTINGHAM, RIDDELL & CO.

CHARTERED ACCOUNTANTS

SHREWSBURY

REPORT OF THE AUDITORS TO THE DIRECTORS OF

BROWNS OF WEM LIMITED

UNDER PARAGRAPH 8 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4 together with the full financial statements of Browns of Wem Limited for the year ended 31st March 1992. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors statement on page 2, and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemption conferred by Part I of Schedule 8 to that Act in respect of the year ended 31st March 1992, and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with that Schedule.

On 22nd March 1993 we reported, as Auditors of Browns of Wem Limited to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st March 1992, and our report was as follows:

We have audited the financial statements on pages 3 to 10 in accordance with Auditing Standards except that the scope of our work was limited by the matter referred to below.

No full stock count was carried out at 31st March 1991 or at 31st March 1992. There was no system of recording stock and work in progress movements on which we could rely for the purpose of our audit, and there were no satisfactory audit procedures that we could adopt to confirm independently that stocks and work in progress are properly recorded. In this respect alone, we were unable to satisfy ourselves as to the completeness and accuracy of the accounting records.

These accounts are also prepared on the going concern basis which assumes that the personal guarantee given to the bank by the principal shareholder will continue.

Subject to any adjustments that we might have found to be necessary had we been able to satisfy ourselves as to the accuracy of stock and work in progress and subject to the personal guarantee continuing, in our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st March 1992 and of its loss and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

22nd MARCH 1993  
SHREWSBURY

*Whittingham Riddell & Co*  
WHITTINGHAM, RIDDELL & CO.  
CHARTERED ACCOUNTANTS  
REGISTERED AUDITORS

BROWNS OF WEM LIMITED

BALANCE SHEET AT 31st MARCH, 1992

	<u>Note</u>	<u>1992</u>	<u>1991</u>
		£	£
<u>Fixed assets</u>			
Tangible assets	3	291,938	294,165
<u>Current assets</u>			
Stock and work in progress		248,552	200,627
Debtors		428,075	431,879
Cash at bank and in hand		100	100
		<u>676,727</u>	<u>632,606</u>
<u>Creditors: amounts falling due within one year</u>		<u>852,616</u>	<u>699,389</u>
<u>Net current liabilities</u>		(175,889)	(66,783)
<u>Net assets</u>		<u>116,049</u>	<u>227,382</u>
<u>Capital and reserves</u>			
Called up share capital	2	15,000	15,000
Profit and loss account		101,049	212,382
		<u>116,049</u>	<u>227,382</u>

Company Number: 779140

In preparing these Abbreviated Accounts:

- a) We have relied upon the exemptions for individual accounts under Part I of Schedule 8 to the Companies Act 1985.
- b) We have done so on the grounds that the company is entitled to the benefit of those exemptions as a small company.

These accounts were approved by the board of directors on 22nd March 1993.

H.C. Brown

*H. C. Brown*

D.J. Brown

*D. J. Brown*

)  
) Directors  
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BROWNS OF WEM LIMITED

NOTES TO THE ACCOUNTS

1. Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's accounts.

(a) Basis of accounting

The accounts have been prepared under the historical cost convention. The comparative figures in these accounts relate to the year ended 31st March 1991. The accounts have been prepared using Format 1.

(b) Turnover

Turnover represents net invoiced sales excluding Value Added Tax adjusted for the movement in work in progress during the year.

(c) Depreciation

Depreciation is calculated so as to write off the cost of the relevant assets in equal annual instalments over their estimated useful lives as follows:-

Freehold property	100 years
Motor vehicles	5 years
Other fixed assets	10 years

(d) Stock and work in progress

Stocks have been valued at the lower of cost and net realisable value. Work in progress is estimated by the managing director at the lower of cost and net realisable value.

At 31st March 1991 and 31st March 1992 both stocks and work in progress were estimated by the managing director at the lower of cost and net realisable value.

(e) Deferred taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that liabilities will crystallise in the foreseeable future.

2. Share capital

	<u>1992</u>	<u>1991</u>
	£	£
Authorised: 20,000 Ordinary shares of £1 each	20,000	20,000
Share capital allotted, called up and fully paid ordinary shares of £1 per share	15,000	15,000

BROWNS OF WEM LIMITED

NOTES TO THE ACCOUNTS

3. Tangible fixed assets

	£
<u>Cost</u>	
At 1st April 1991	347,688
Additions	5,404
Disposals	(10,655)
At 31st March 1992	<u>342,437</u>
 <u>Depreciation</u>	
At 1st April 1991	53,523
Charged in year	5,768
On disposals	(8,792)
At 31st March 1992	<u>50,499</u>
 <u>Net book value</u>	
At 31st March 1992	<u>291,938</u>
 At 31st March 1991	<u>294,165</u>

There were no capital commitments at 31st March 1992 (1991: £Nil).

4. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging the following:

	<u>1992</u>	<u>1991</u>
	£	£
Auditors' remuneration and expenses	<u>9,500</u>	<u>9,000</u>