

FKB ELECTRICAL LIMITED

ABBREVIATED ACCOUNTS

FOR THE PERIOD FROM 1ST JANUARY 1996

TO 30TH JUNE 1997

COMPANY NUMBER (2847472)

Presented by:

Afford Bond  
Chartered Accountants  
Registered Auditors  
31 Wellington Road  
Nantwich  
Cheshire  
CW5 7ED



**AUDITORS' REPORT TO FKB ELECTRICAL LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 6, together with the full statutory accounts of the company for the period ended 30 June 1997 prepared under section 226 of the Companies Act 1985.

**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 opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, 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 fully statutory accounts.

**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 2 to 6 are properly prepared in accordance with those provisions.



Afford Bond  
Chartered Accountants  
Registered Auditors  
23 September 1997

31 Wellington Road  
Nantwich, Cheshire

**FKB ELECTRICAL LIMITED**

**ABBREVIATED BALANCE SHEET AT 30TH JUNE 1997**

				31st December 1995	
	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<b>Fixed assets</b>					
Tangible assets	2		21,350		27,250
Intangible assets	3		-		5,000
			<hr/>		<hr/>
			21,350		32,250
 <b>Current assets</b>					
Stocks and work in progress		90,498		99,915	
Debtors		107,658		116,193	
Cash at bank and in hand		461		15,239	
		<hr/>		<hr/>	
		198,617		231,347	
 <b>Creditors : amounts falling due within one year</b>	4	<hr/>		<hr/>	
		173,182		210,773	
 <b>Net current assets</b>			<hr/>		<hr/>
			25,435		20,574
 <b>Total assets less current liabilities</b>			<hr/>		<hr/>
			46,785		52,824
 <b>Creditors: amounts falling due after more than one year</b>	5		<hr/>		<hr/>
			3,378		10,445
 <b>Net assets</b>			<hr/>		<hr/>
			£43,407		£42,379
 <b>Capital and reserves</b>					
Called up share capital	6		1,000		1,000
Profit and loss account			42,407		41,379
			<hr/>		<hr/>
			£43,407		£42,379
			<hr/>		<hr/>

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

The accounts were approved by the Board on 23 September 1997 and signed on its behalf by:

M G Harding  
Director



The annexed notes form part of these abbreviated accounts.

## **FKB ELECTRICAL LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD FROM**

**1ST JANUARY 1996 TO 30TH JUNE 1997**

#### **1. Accounting policies**

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

##### ***Basis of preparation***

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

##### ***Depreciation***

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by instalments over their estimated useful economic lives as follows:

Plant and machinery	- 20% and 50% reducing balance
Motor vehicles	- 25% per annum reducing balance
Fixtures, fittings and office equipment	- 20% per annum reducing balance

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

Stocks are stated at the lower of cost and estimated net realisable value. In respect of work in progress, cost includes a relevant proportion of overheads according to the stage of completion, and when relevant with reference to work certified by third parties.

##### ***Taxation***

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes. 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.

Advance corporation tax on dividends paid and provided for in the period is not written off if tax liabilities for the period up to the next balance sheet are expected to be sufficient to absorb this tax.

##### ***Leased assets***

Where the assets are financed by leasing agreements the assets are included in the balance sheet at cost less depreciation in accordance with the company's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital payments outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

##### ***Pensions***

The company operates a defined contribution pension scheme for certain key employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

**FKB ELECTRICAL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD FROM**

**1ST JANUARY 1996 TO 30TH JUNE 1997 (continued)**

**2. Tangible fixed assets**

	Total £
Cost	
At 1st January 1996	44,394
Additions	4,106
Disposals	-
	<hr/>
At 30th June 1997	<u>£48,500</u>
 Depreciation	
At 1st January 1996	17,144
Charge for the period	10,006
Disposals	-
	<hr/>
At 30th June 1997	<u>£27,150</u>
 Net book value	
At 30th June 1997	<u>£21,350</u>
  At 31st December 1995	  <u>£27,250</u>

Included in the total net book value of Motor Vehicles is £9,029 (1995 £13,759) in respect of assets held under hire purchase contracts. Depreciation for the year on these assets was £9,316 (1995 £4,586).

**3. Intangible fixed assets**

	Goodwill £
Cost	
At 1st January 1996	10,000
	<hr/>
At 30th June 1997	<u>£10,000</u>
 Amortisation	
At 1st January 1996	5,000
Charge for the period	5,000
	<hr/>
At 30th June 1997	<u>£10,000</u>
 Net book value	
At 30th June 1997	<u>£NIL</u>
  At 31st December 1995	  <u>£5,000</u>

**FKB ELECTRICAL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD FROM**

**1ST JANUARY 1996 TO 30TH JUNE 1997 (continued)**

**4. Creditors : amounts falling due within one year  
included the following:**

	1997	31st December 1995
	£	£
Bank overdraft - secured	29,508	42,746
Taxation and social security	41,747	36,605
	<u>71,255</u>	<u>79,351</u>

**5. Creditors : amounts falling due after more  
than one year**

	1997	31st December 1995
	£	£
CDA loan	-	1,502
Obligations under finance leases and hire purchase contracts	3,378	8,943
	<u>£3,378</u>	<u>£10,445</u>

**Creditors repayable by instalments**

	Instalments payable within five years		Instalments payable after five years		Total	
	1997	1995	1997	1995	1997	1995
	£	£	£	£	£	£
Bank loan	-	1,233	-	-	-	1,233
CDA loan	983	2,702	-	-	983	2,702
Obligations under finance leases and hire purchase contracts	6,449	13,932	-	-	6,449	13,932
	<u>£7,432</u>	<u>£17,867</u>	<u>£</u>	<u>£</u>	<u>£7,432</u>	<u>£17,867</u>

The bank loan is repayable in monthly instalments of £212.50 including interest over two years from July 1994. Interest is fixed at 13.25%. The Crewe Development Agency loan is repayable in monthly instalments of £121.95 including interest over five years from March 1993, the liability was taken over on 1st January 1994 from M G Harding t/a FKB Electrical. Interest is fixed at 7% per annum.

**FKB ELECTRICAL LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD FROM**

**1ST JANUARY 1996 TO 30TH JUNE 1997 (continued)**

**6. Called up share capital**

	1997	31st December 1995
	£	£
Authorised 1,000 Ordinary shares of £1 each	1,000	1,000
	<u>          </u>	<u>          </u>
Allotted, called up and fully paid 1,000 Ordinary shares of £1 each	1,000	1,000
	<u>          </u>	<u>          </u>

**7. Transactions with directors**

The company is operating from premises where the lease remains in the name of the unincorporated predecessor business. The company is honouring the obligation of the lease and benefiting from the use of the property. Mr Harding, the proprietor of the predecessor business, is receiving no benefit from this transaction. In due course an assignment will be completed transferring the lease to the limited company.