

# John Watson and Carter Limited



## Abbreviated Accounts

31st March, 1999



Smailes, Goldie & Co.  
*Chartered Accountants*

A member firm of

 **The UK 200 Group**   
PRACTISING CHARTERED ACCOUNTANTS

# **John Watson and Carter Limited**

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# **John Watson and Carter Limited**

## **Auditors' report to John Watson and Carter Limited, pursuant to Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 2 to 4 together with the financial statements of the company for the year ended 31st March, 1999 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 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 2 to 4 are properly prepared in accordance with those provisions.



**Smailes, Goldie & Co.**

Chartered Accountants

Registered Auditors

Hull, HU1 3XL

3rd June, 1999


# John Watson and Carter Limited

## Abbreviated Balance Sheet

at 31st March, 1999

	Note	1999	1998
		£	£
<b>Fixed assets</b>	2	38,546	43,510
<b>Current assets</b>			
Stock and work in progress		109,750	94,050
Debtors		113,715	189,604
Cash at bank and in hand		2,183	1,418
		<u>225,648</u>	<u>285,072</u>
<b>Creditors: amounts falling due within one year</b>	3		
Creditors		132,877	162,319
Finance debt		70,781	98,298
		<u>203,658</u>	<u>260,617</u>
<b>Net current assets</b>		21,990	24,455
<b>Total assets less current liabilities</b>		60,536	67,965
<b>Creditors: amounts falling due after more than one year</b>		(57,457)	(66,236)
<b>Provision for liabilities and charges</b>		-	-
<b>Net assets</b>		<u>3,079</u>	<u>1,729</u>
<b>Capital and reserves</b>			
Called up share capital	4	100,000	100,000
Profit and loss account		(96,921)	(98,271)
<b>Shareholders' funds</b>		<u>3,079</u>	<u>1,729</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standards for Smaller Entities.

  
**A. P. H. Wood**  
 Director

Approved by the Board on 3rd June, 1999.

The annexed notes form part of these abbreviated accounts.

# **John Watson and Carter Limited**

## **Notes to the Abbreviated Accounts**

*for the year ended 31st March, 1999*

### **1. Accounting policies**

The principal accounting policies have remained unchanged from the previous year and are set out below.

#### **a) Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention.

#### **b) Turnover**

Turnover represents the value, excluding value added tax, of services supplied to customers during the year.

#### **c) Depreciation**

Depreciation is calculated on the reducing balance method and aims to write down the cost of all fixed assets over their expected useful lives.

The rates generally applicable are:

Motor vehicles	25%
Computers and office equipment	20%
Fixtures and fittings	10%

#### **d) Leases and hire purchase contracts**

Assets acquired under finance leases and hire purchase contracts are treated as fixed assets. The amount capitalised is the present value of the minimum lease payments payable during the lease term. Depreciation is charged to the profit and loss account in accordance with the normal depreciation policy over the expected useful life of the assets.

The corresponding lease commitments are shown as liabilities. The interest element of rental obligation is charged to the profit and loss account over the period of the lease on a straight line basis.

Rentals payable under operating leases are charged to the profit and loss account over the period of the lease on a straight line basis.

#### **e) Work in progress**

Work in progress is stated at the lower of cost and net realisable value. Cost represents that expenditure which has been incurred in the normal course of business in bringing the service to its present condition.

Cost consists of direct labour and attributable overheads based on normal levels of activity.

Net realisable value means estimated selling price less all further costs to completion.

# John Watson and Carter Limited

## Notes to the Abbreviated Accounts

for the year ended 31st March, 1999

### 1. Accounting policies (continued)

#### f) Deferred taxation

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the accounts. Provision is made for deferred taxation on the liability method, to the extent that the liability is expected to be payable in the foreseeable future.

#### g) Pension costs

Contributions to provide pensions and related benefits are charged to the profit and loss account when incurred.

2. Fixed assets	Tangible fixed assets £
<b>Cost or valuation:</b>	
At 1st April, 1998	120,155
Additions	13,980
Disposals	(44,604)
	<hr/>
At 31st March, 1999	89,531
	<hr/>
<b>Depreciation:</b>	
At 1st April, 1998	76,645
On disposals	(35,068)
Charge for year	9,408
	<hr/>
At 31st March, 1999	50,985
	<hr/>
<b>Net book value:</b>	
At 31st March, 1999	38,546
	<hr/> <hr/>
At 31st March, 1998	43,510
	<hr/> <hr/>

**John Watson and Carter Limited**  
**Notes to the Abbreviated Accounts**  
*for the year ended 31st March, 1999*

**3. Creditors**

The following liabilities were secured:

	<b>Aggregate amount outstanding</b>	
	<b>1999 £</b>	<b>1998 £</b>
Bank overdraft	62,437	89,777
Bank loans	56,503	62,437

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

	<b>1999 £</b>	<b>1998 £</b>
Repayable by instalments	56,503	62,437

<b>4. Called up share capital</b>	<b>Authorised</b>		<b>Allotted, called up and fully paid</b>	
	<b>1999 No.</b>	<b>1998 No.</b>	<b>1999 £</b>	<b>1998 £</b>
Ordinary shares of £1 each	500,000	500,000	100,000	100,000

**5. Related party transactions with directors**

Included in other creditors are loans from directors as follows:

	<b>At the end of the year</b>	
	<b>1999 £</b>	<b>1998 £</b>
A. P. H. Wood	17,678	19,785
A. P. Clark	4,902	4,902
G. A. W. Pritchett	72	72
	22,652	24,759
Amounts falling due within one year	22,652	24,759