

SHEPHERD & CO (SALFORD) LTD
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31st OCTOBER 2006



HORSFIELD & SMITH

Chartered Accountants
Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

SHEPHERD & CO (SALFORD) LTD

ABBREVIATED ACCOUNTS

YEAR ENDED 31st OCTOBER 2006

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SHEPHERD & CO (SALFORD) LTD

ACCOUNTANTS' REPORT TO THE DIRECTORS OF SHEPHERD & CO (SALFORD) LTD

YEAR ENDED 31st OCTOBER 2006

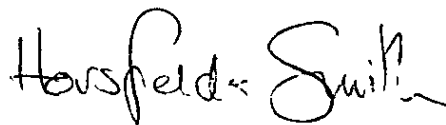
As described on the balance sheet, the directors of the company are responsible for the preparation of the abbreviated accounts for the year ended 31st October 2006, set out on pages 2 to 6

You consider that the company is exempt from both an audit and a report under section 249A(2) of the Companies Act 1985

In accordance with your instructions we have compiled these unaudited abbreviated accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us

Tower House
269 Walmersley Road
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22/05/07



HORSFIELD & SMITH
Chartered Accountants

SHEPHERD & CO (SALFORD) LTD

ABBREVIATED BALANCE SHEET

31st OCTOBER 2006

	Note	2006 £	£	2005 £
FIXED ASSETS	2			
Tangible assets			<u>4,179</u>	<u>6,044</u>
CURRENT ASSETS				
Stocks		15,239		13,717
Debtors		49,272		30,351
Cash at bank and in hand		861		8,366
		<u>65,372</u>		<u>52,434</u>
CREDITORS: Amounts falling due within one year		<u>41,191</u>		<u>25,655</u>
NET CURRENT ASSETS			<u>24,181</u>	<u>26,779</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>28,360</u>	<u>32,823</u>

The Balance sheet continues on the following page

The notes on page 2 form part of these abbreviated accounts

SHEPHERD & CO (SALFORD) LTD

ABBREVIATED BALANCE SHEET *(continued)*

31st OCTOBER 2006

	Note	2006 £	2005 £
CAPITAL AND RESERVES			
Called-up equity share capital	4	906	906
Share premium account		15,975	15,975
Profit and loss account		11,479	15,942
SHAREHOLDERS' FUNDS		<u>28,360</u>	<u>32,823</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These abbreviated financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors on 22/5/07 and are signed on their behalf by



MR B ROBINSON
Director

The notes on page 3 form part of these abbreviated accounts

SHEPHERD & CO (SALFORD) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st OCTOBER 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Plant & Machinery	- 20% per annum on a straight line basis
Motor Vehicles	- 20% per annum on a straight line basis
Furniture and Equipment	- 20% per annum on a straight line basis

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

SHEPHERD & CO (SALFORD) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st OCTOBER 2006

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception

* deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1st November 2005 and 31st October 2006	<u>17,861</u>
DEPRECIATION	
At 1st November 2005	11,817
Charge for year	<u>1,865</u>
At 31st October 2006	<u>13,682</u>
NET BOOK VALUE	
At 31st October 2006	<u>4,179</u>
At 31st October 2005	<u>6,044</u>

3. TRANSACTIONS WITH THE DIRECTORS

Included in other creditors are amounts owing to Mr B Robinson, a director, of £7,790 (2005 £4,440)

SHEPHERD & CO (SALFORD) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st OCTOBER 2006

4. SHARE CAPITAL

Authorised share capital:

	2006	2005
	£	£
5,000 Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	<u>906</u>	<u>906</u>	<u>906</u>	<u>906</u>
Equity shares				
Ordinary shares of £1 each	<u>906</u>	<u>906</u>	<u>906</u>	<u>906</u>