
Alchemy Metals Limited

Abbreviated Accounts

31 OCTOBER 1995



Alchemy Metals Limited

Registered No. 1916920

DIRECTOR

P W Newman	Chairman and Managing
R B Annesley	FCA Finance
S A Elliott	Operations

SECRETARY

S F Newman

AUDITORS

Ernst & Young
400 Capability Green
Luton
Beds LU1 3LU

BANKERS

Lloyds Bank Plc
Cromwell House
142 High Street
Stevenage SG1 3HF

REGISTERED OFFICE

400 Capability Green
Luton
Beds LU1 3LU

REPORT OF THE AUDITORS

to the director of Alchemy Metals Limited

We have examined the abbreviated accounts on pages 4 to 7 together with the annual accounts of Alchemy Metals Limited for the year ended 31 October 1995. The scope of our work for the purposes of this report was limited to confirming that the company is entitled to the exemptions claimed in the director's statement on page 4 and that the abbreviated accounts have been properly prepared from the annual accounts.

In our opinion the director is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act in respect of the year ended 31 October 1995 and the abbreviated accounts on pages 4 to 7 have been properly prepared in accordance with Schedule 8 of that Act.

As auditors of the company, we reported to the members on 27 February 1996 on the full accounts prepared under section 226 of the Companies Act 1985 for the year ended 31 October 1995 and our audit report was as follows:

"We have audited the accounts on pages 6 to 13, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

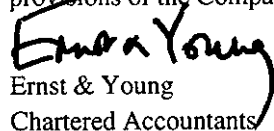
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 October 1995 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies."


Ernst & Young
Chartered Accountants
Registered Auditor
Luton

27 February 1996

Alchemy Metals Limited

ABBREVIATED BALANCE SHEET

at 31 October 1995

	Note	1995 £	1994 £
FIXED ASSETS			
Tangible assets	2	331,369	296,984
CURRENT ASSETS			
Stock		55,528	78,332
Debtors		315,451	275,217
Cash at bank and in hand		1,954	267
		<u>372,933</u>	<u>353,816</u>
CREDITORS: amounts falling due within one year	3	<u>(649,330)</u>	<u>(647,136)</u>
NET CURRENT LIABILITIES		<u>(276,397)</u>	<u>(293,320)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		54,972	3,664
CREDITORS: amounts falling due after more than one year	3	<u>(79,632)</u>	<u>(739)</u>
TOTAL ASSETS LESS LIABILITIES		<u>(24,660)</u>	<u>2,925</u>
CAPITAL AND RESERVES			
Called up share capital	4	1,000	1,000
Profit and loss account		<u>(25,660)</u>	<u>1,925</u>
		<u>(24,660)</u>	<u>2,925</u>

The director has taken advantage of the exemptions conferred by Part I and Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that the company is entitled to the benefit of those exemptions as a small company.



P W Newman
Director

27 February 1996

NOTES TO THE ABBREVIATED ACCOUNTS

at 31 October 1995

1 ACCOUNTING POLICIES

Fundamental accounting policy

The accounts have been prepared under the going concern basis because since the year end the company's bankers have confirmed their continuing support to the group to enable the company to continue trading.

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Depreciation

Depreciation is provided on all tangible assets other than freehold land at rates calculated to write off the cost, less estimated residual value of each asset evenly over its expected useful life as follows:

Freehold buildings	-	over 50 years
Freehold improvements	-	over 10 years
Short leasehold improvements	-	over the lease period
Plant and machinery	-	over 5 years
Fixtures and fittings	-	over 5 years
Motor vehicles	-	25% reducing balance

Stocks

Stock has been valued at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated the timing differences will reverse.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The corresponding lease or hire purchase obligation is capitalised in the balance sheet as a liability. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Alchemy Metals Limited

NOTES TO THE ABBREVIATED ACCOUNTS

at 31 October 1995

2 TANGIBLE FIXED ASSETS

	<i>Total £</i>
Cost:	
At 1 November 1994	537,791
Additions	89,535
Disposals	(31,173)
At 31 October 1995	<u>596,153</u>
Depreciation:	
At 1 November 1994	240,807
Charge for the year	50,518
Disposals	(26,541)
At 31 October 1995	<u>264,784</u>
Net book value at 31 October 1995	<u><u>331,369</u></u>
at 1 November 1994	<u><u>296,984</u></u>

The net book value of fixed assets above includes an amount of £24,038 (1994 - £16,118) in respect of assets held under hire purchase contracts.

3 LOANS

	<i>1995 £</i>	<i>1994 £</i>
Creditors include the following secured liabilities:		
Repayable within one year:		
Bank loans and overdraft	38,689	70,965
Mortgage	—	10,625
	<u>38,689</u>	<u>81,590</u>

4 CALLED UP SHARE CAPITAL

	<i>1995 No.</i>	<i>Authorised 1994 No.</i>	<i>Allotted, called up and fully paid 1995 No.</i>	<i>1994 No.</i>
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

NOTES TO THE ABBREVIATED ACCOUNTS

at 31 October 1995

5 TRANSACTIONS WITH DIRECTOR

During the year the company advanced £5,498 to Advance Computers (UK) Limited, a company connected with Mr P W Newman. This advance is secured against stocks which are being disposed of to repay the advance.

6 CONTINGENT LIABILITIES

- a) The company has given an unlimited guarantee in respect of bank borrowings of other group companies. At 31 October 1995 these borrowings amounted to £235,703 (1994: £202,833).
- b) For VAT purposes the company is grouped with other companies in the Alchemy Metals Group; under these arrangements the company has a joint and several liability for amounts due to Customs & Excise by companies in the Alchemy Metals Group.

7 PARENT UNDERTAKING

The parent undertaking of the group of undertakings for which group accounts are drawn up and of which the company is a member is Alchemy Metals Group Limited which is registered in England and Wales and which is the ultimate parent company. Copies of the accounts of Alchemy Metals Group Limited can be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.