

Company Number: 1815328

Solway International Limited
Abbreviated Financial Statements
for the year ended 31st May 2000



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COMPANIES HOUSE 08/11/02



Chartered Accountants

Independent Auditors' Report to Solway International Limited under 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 May 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of the 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 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.

Other Information

On 23 October 2002, we reported as auditors to the members of the company on the financial statements prepared under s226 of the Companies Act 1985 for the year ended 31 May 2000 and our audit report included the following paragraph:

"Fundamental Uncertainty - Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in the accounting policies in Note 1 to the financial statements concerning the assurances from the director that funding will continue to be made available to enable the company to continue to trade. In view of the significance of this assurance we consider that it be drawn to your attention but our opinion is not qualified in this respect."


Hawsons
Chartered Accountants
and Registered Auditors

23rd October 2002

Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Solway International Limited

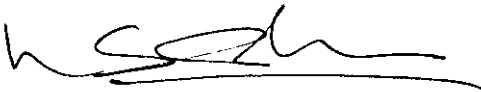
Abbreviated Balance Sheet

As At 31st May 2000

	Notes	2000 £	2000 £	1999 £	1999 £
Fixed Assets					
Tangible fixed assets	2		76,970		104,567
Current Assets					
Stock		538,819		616,235	
Debtors		437,964		879,561	
Cash at bank		282		1,527	
		977,065		1,497,323	
Creditors:					
Amounts falling due within one year	3	(908,438)		(1,285,388)	
Net Current Assets			68,627		211,935
Total Assets Less Current Liabilities			145,597		316,502
Creditors:					
Amounts falling due after more than one year	3		(558,857)		(358,990)
			(413,260)		(42,488)
Capital and Reserves					
Share capital	4		86,000		86,000
Profit and loss account			(499,260)		(128,488)
			(413,260)		(42,488)

The 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 23rd October 2002.



W S Sellers
Director

1 **Principal Accounting Policies**

Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Going Concern

The financial statements have been prepared on the going concern basis on assurances from the director that he will continue to arrange and provide finance to enable the company to trade for the foreseeable future. The company has made a loss in the year of £370,772 and is fully utilising the facilities available to it.

A detailed budget has been prepared for the period to May 2004 and the loan facilities are not expected to be withdrawn for the year from the date of the signing of these accounts.

In light of the above, and on the basis of all other available financial information, the director considers that the company will continue to operate within the financial facilities available and that it is appropriate to prepare the financial statements on the going concern basis.

Turnover

Turnover is the total amount receivable by the company on sales negotiated during the year, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Short leasehold property	4% - 10% straight line
Plant and machinery	15% - 20% straight line
Motor vehicles	25% straight line
Furniture and equipment	10% - 20% straight line

Contribution to Pension Funds

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

Notes to the Abbreviated Accounts

for the year ended 31st May 2000

2 Fixed Assets

	Tangible Fixed Assets £
Cost	
At 1st June 1999	323,617
Additions	22,332
Disposals	(2,500)
At 31st May 2000	<u>343,449</u>
Depreciation and amortisation	
At 1st June 1999	219,050
Provided for in the year	47,429
Disposals	-
At 31st May 2000	<u>266,479</u>
Net Book Value	
At 31st May 2000	<u>76,970</u>
At 31st May 1999	<u>104,567</u>

3 Creditors

The aggregate amount of secured liabilities is £612,392 (1999 - £474,827).

Other creditors due after more than one year includes an amount of £225,000 (1999 - £225,583) in respect of loans from the company pension scheme. The loans are to be repaid by 2008 although there is no strict repayment schedule, and hence it is probable that an indeterminate amount of the liability will be payable after more than five years.

4 Share Capital

Authorised	2000	1999
	£	£
100,000 Ordinary shares of £1 each	100,000	100,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid	2000	1999
	£	£
86,000 Ordinary shares of £1 each	86,000	86,000
	<u> </u>	<u> </u>