

P. F. & F LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 1997

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BENTLEY & CO
Chartered Accountants
Hazlemere
70 Chorley New Road
BOLTON
BL1 4BY



AUDITORS REPORT TO P. F. & F LIMITED**PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 3 to 5a together with the financial statements of P. F. & F Limited prepared under section 226 of the Companies Act 1985 for the year ended 30 June 1997.

Respective responsibilities of directors and auditors

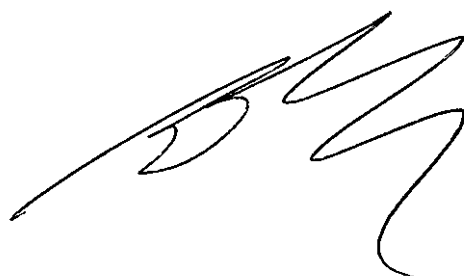
The directors are responsible for preparing the abbreviated accounts in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts and whether the abbreviated accounts have been properly prepared in accordance with those provisions.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with the special provisions of Part VII of the Act, in respect of the year ended 30 June 1997 and the abbreviated accounts on pages 3 to 5a have been properly prepared in accordance with those provisions.



BENTLEY & CO
Chartered Accountants and
Registered Auditors
Hazlemere
70 Chorley New Road
BOLTON
BL1 4BY

Date: 21 October 1997

P. F & F. LIMITED

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The accounts have been prepared under the Historical Cost Convention.

TURNOVER

Turnover is the total amount receivable by the Company in the ordinary course of business for goods supplied as a principal. All sales are shown net of VAT.

TANGIBLE FIXED ASSETS AND DEPRECIATION

These are shown at cost.

Depreciation is calculated to write the cost of building improvements by equal annual instalments over the term of the lease. The rate used is 4% per annum.

Depreciation is calculated on all other tangible fixed assets by the straight line method and aims to write down the cost their expected normal lives at the following rates:

Plant and Equipment	-	10% per annum
Motor Vehicle	-	25% per annum
Fixtures and Fittings	-	10% per annum

INTANGIBLE ASSET: GOODWILL

Goodwill is written off in equal instalments over five years, which is the directors' estimate of its useful life.

STOCK AND WORK-IN-PROGRESS

Stock is stated at the lower of cost and net realisable value.

Cost comprises prime costs of materials.

Work-in-progress is valued at cost. Cost includes prime costs of materials and direct labour together with attributable overheads.

TAXATION

Taxation is charged against profit only in so far as payment has been made or is likely to be made in the foreseeable future.

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 interest element of the rental obligations is charged to the Profit and Loss Account over the period of the lease and represents a constant periodic rate of charge.

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

CASH FLOW STATEMENT

The Company qualifies as a small company under the Companies Act 1985. The Directors have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

P. F. & F LIMITED**ABBREVIATED BALANCE SHEET****AS AT 30 JUNE 1997**

	Note	£	1997 £	£	1996 £
FIXED ASSETS					
Intangible assets	2	2500		3500	
Tangible assets	1	169447		173460	
		-----		-----	
			171947		176960
CURRENT ASSETS					
Stock and WIP		229164		274275	
Debtors and Prepayments		921453		1015243	
Cash in hand		1690		2187	
		-----		-----	
		1152307		1291705	
		-----		-----	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
		869555		977217	
		-----		-----	
NET CURRENT ASSETS					
			282752		314488
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES					
			454699		491448
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR					
	3		366267		409338
			-----		-----
			88432		82110
			=====		=====
CAPITAL AND RESERVES					
Called up share capital	4		80100		80100
Profit and loss account			8332		2010
			-----		-----
Total shareholders funds			88432		82110
			=====		=====

These financial statements have been prepared in accordance with the special provisions conferred by Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board of the directors on 21 October 1997 and were signed on its behalf by:-



 DIRECTOR

P. F. & F. LIMITED

NOTES TO THE ABBREVIATED BALANCE SHEET

FOR THE YEAR ENDED 30 JUNE 1997

1. TANGIBLE FIXED ASSETS

	Building Improvements	Property Time Share	Plant Equipment Fixtures & Fittings	Motor Vehicles	TOTAL
	£	£	£	£	£
COST					
At 1 July 1996	36476	8300	146880	29800	221456
Additions	—	—	8166	15681	23846
Disposals	—	—	(1033)	—	(1033)
	-----	-----	-----	-----	-----
At 30 June 1997	36476	8300	154013	45481	244270
	-----	-----	-----	-----	-----
DEPRECIATION					
At 1 July 1996	6443	—	29226	12327	47996
Charge for Year	1396	—	15068	10960	27424
Disposals	—	—	(597)	—	(597)
	-----	-----	-----	-----	-----
At 30 June 1997	7839	—	43697	23287	74823
	-----	-----	-----	-----	-----
NET BOOK VALUE AS AT					
30 June 1997	28637	8300	110316	22194	169447
	=====	=====	=====	=====	=====
NET BOOK VALUE AS AT					
30 June 1996	30033	8300	117654	17473	173460
	=====	=====	=====	=====	=====

The net book value of plant and equipment includes £59806 in respect of assets held under a finance lease contract.

2. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 July 1996 and 30 June 1997	5000

AMMORTISATION	
At 1 July 1996	1500
Charge for year	1000

At 30 June 1997	2500

NET BOOK VALUE	
At 30 June 1997	2500
	=====
NET BOOK VALUE	
At 30 June 1996	3500
	=====

P. F. & F. LIMITED**NOTES TO THE ABBREVIATED BALANCE SHEET (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 1997****3. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	1997 £	1996 £
Amounts repayable, other than by instalments falling due within two to five years		
Directors Loan Account	260790	270290
Amounts repayable by instalments falling due within two to five years		
Obligations under finance lease	25000	40000
Bank Loan	80477	99048
	-----	-----
	366267	409338

The bank Loan and overdraft amounting to £438672 are secured by a floating charge over all the assets of the Company.

4. CALLED UP SHARE CAPITAL

	1997 £	1996 £
Authorised		
Ordinary shares of £1 each	100000	100000
	=====	=====
Allotted, called up and fully paid		
Ordinary shares of £1 each	80100	80100
	=====	=====