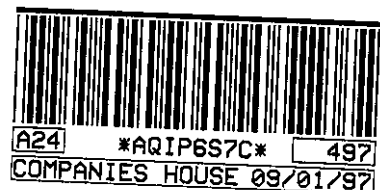


S.F. ADAMS & CO. LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 1996

Felton & Co.,  
Chartered Accountants,  
York House,  
38 Great Charles Street,  
Birmingham B3 3RQ.



S.F. ADAMS & CO. LIMITED

ACCOUNTANTS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

Accountants' report to  
S.F. Adams & Co. Limited

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The following reproduces the text of the report prepared for the purposes of section 249A(1) of the Companies Act 1985 in respect of the company's annual financial statements, from which the abbreviated financial statements (set out on pages 2 to 4) have been prepared.

In accordance with instructions given to us we have prepared financial statements for the company for the year ended 30 September 1996 according to the accounting provisions of the Companies Act 1985. The directors of the company have confirmed that the company is totally exempt from the audit requirement under the provisions of subsection 1 of section 249A of the Companies Act 1985, and as a result we have not carried out an audit. The financial statements on pages 3 to 7 are therefore based on the information shown in the accounting records and on the information supplied and explanations given to us by the directors.'

Birmingham

*Felton & Co.*  
Felton & Co.  
Chartered Accountants.

20th December 1996

S.F. ADAMS & CO. LIMITED  
ABBREVIATED BALANCE SHEET  
AS AT 30 SEPTEMBER 1996

2.

	Note	£	£	<u>1995</u> £
FIXED ASSETS				
Tangible assets	2		4,343	6,459
CURRENT ASSETS				
Stocks		2,030		1,782
Debtors		19,176		24,736
Cash at Bank and in Hand		739		1,078
		21,945		27,596
CREDITORS: amounts falling due within one year		26,044		32,322
NET CURRENT ASSETS/(LIABILITIES)			(4,099)	(4,726)
TOTAL NET ASSETS LESS CURRENT LIABILITIES			244	1,733
FINANCED BY:-			=====	=====
CAPITAL AND RESERVES				
Called up share capital	3		100	100
Profit and loss account			144	1,633
SHAREHOLDERS FUNDS			244	1,733
			=====	=====

The directors consider that for the year ended 30 September 1996 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and 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 otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In the preparation of the company's annual financial statements, the directors have taken advantage of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in their opinion, the company is entitled to those exemptions.

The abbreviated financial statements on pages 2 to 4 were approved by the board of directors on 20th November 1996 and signed on its behalf by:

Director

*J. P. [Signature]* X

# 1. ACCOUNTING POLICIES

1. The financial statements are prepared under the historical cost convention.
2. Turnover represents amounts receivable in respect of goods provided during the year.
3. Depreciation is provided to write off the cost of all fixed assets over their expected useful lives. The rates used are:-

Fixtures and fittings	10% straight line
Office equipment	10% straight line
Motor vehicle	20% straight line

4. Stocks have been valued at the lower of cost or net realisable value.
5. Deferred taxation is provided on the liability method to the extent that a liability is expected to arise in the foreseeable future.
6. Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalized and depreciated in the same manner as other tangible fixed assets. The related obligations net of future interest costs are included in creditors. Rentals payable under operating leases are charged to profit and loss account on a straight line basis over the period of the lease.
7. The company operates a defined contributions pension scheme for certain employees. The assets of the scheme are held separately from those of the company in an independently managed fund. Contributions are charged to profit and loss account as and when paid to the scheme.

# 2. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Office equipment £	Motor vehicles £	Total £
<b>COST</b>				
At 30 September 1995	483	771	10,100	11,354
Additions	-	-	-	-
Disposals	-	-	-	-
	=====	=====	=====	=====
At 30 September 1996	483	771	10,100	11,354
	=====	=====	=====	=====
<b>DEPRECIATION</b>				
At 30 September 1995	375	480	4,040	4,895
Charge for year	36	60	2,020	2,116
Disposals	-	-	-	-
	=====	=====	=====	=====
At 30 September 1996	411	540	6,060	7,011
	=====	=====	=====	=====
<b>NET BOOK VALUE</b>				
At 30 September 1995	72	231	4,040	4,343
	=====	=====	=====	=====
At 30 September 1996	108	291	6,060	6,459
	=====	=====	=====	=====

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (Continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 1996

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	<u>1996</u>	<u>1995</u>
3. SHARE CAPITAL		
Authorised		
10,000 Ordinary Shares of £1 each	10,000	10,000
	=====	=====
Allotted, Issued and Fully Paid		
100 Ordinary Shares of £1 each	100	100
	=====	=====