

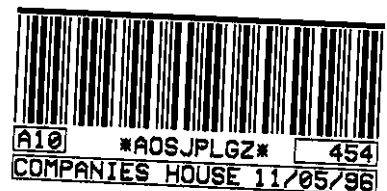
BUTCO HEATING LIMITED

(Registered in England and Wales No: 1373382)

ABBREVIATED ACCOUNTS

31 JULY 1995

NW 40X8
004791
O/P ✓



REPORT OF THE AUDITORS TO THE DIRECTORS OF
BUTCO HEATING LIMITED
UNDER PARAGRAPH 24 OF SCHEDULE 8 TO THE
COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 5, together with the full statutory accounts of the company. The scope of our work for the purpose of this report was limited to confirming the opinion as set out in the following paragraph;

In our opinion, the company is entitled to the exemptions as set out in the directors' statement on page 3 and the abbreviated accounts and have been properly prepared in accordance with part III of schedule 8 to the Companies Act 1985.

On 18 November 1995, we reported to the members on the statutory accounts of the company for the year ended 31 July 1995, prepared under section 226 of the Companies Act 1985 as modified by the exemptions provided by part I of schedule 8. Our report under section 235 of the Companies Act 1985 was as follows;

'We have audited the accounts on pages 4 to 8 which have been prepared under the historical cost convention (as modified by certain fixed assets) and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of 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 by the directors 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 the information in the accounts.

REPORT OF THE AUDITORS TO THE DIRECTORS OF

BUTCO HEATING LIMITED

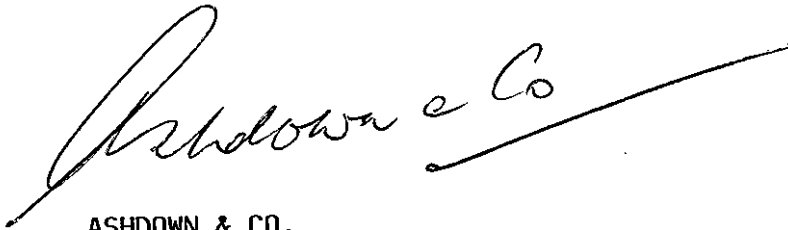
UNDER PARAGRAPH 24 OF SCHEDULE 8 TO THE

COMPANIES ACT 1985

(CONT....)

OPINION

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

A large, stylized handwritten signature in dark ink, which appears to read 'Ashdown & Co', is written over the printed name of the firm.

ASHDOWN & CO.
Chartered Accountants
Registered Auditors
International House
Bloxwich Business Park
Fryers Road
Bloxwich
West Midlands
WS3 2XJ

18 November 1995

BUTCO HEATING LIMITED
ABBREVIATED BALANCE SHEET
AS AT 31 JULY 1995

	Notes	£	1995 £	£	1994 £
FIXED ASSETS	3		7,398		2,633
<u>CURRENT ASSETS</u>					
Stock and Work in Progress		6,752		2,080	
Debtors		<u>104,964</u>		<u>86,499</u>	
		111,716		88,579	
LESS: CREDITORS AMOUNTS DUE WITHIN ONE YEAR		<u>123,863</u>		<u>96,328</u>	
NET CURRENT LIABILITIES			(12,147)		(7,749)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(4,749)</u>		<u>(5,116)</u>
<u>CAPITAL AND RESERVES</u>					
Called up Share Capital	4		500		500
Profit and Loss Account			<u>(5,249)</u>		<u>(5,616)</u>
			<u>(4,749)</u>		<u>(5,116)</u>

The director has taken advantage of the exemptions conferred by part III of schedule 8 to the Companies Act 1985 and has done so on the grounds that, in his opinion, the company is entitled to those exemptions as a small company.

In the preparation of the company's annual accounts, the director has taken advantage of special exemptions applicable to small companies and has done so on the grounds that, in his opinion, the company is entitled to those exemptions as a small company.

..... C P Butler - Director

Signed and approved by the board, 18 November 1995.

BUTCO HEATING LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED

31 JULY 1995

1. ACCOUNTING POLICIES

a) Accounting Convention

The accounts are prepared under the historical cost convention.

b) Depreciation

Depreciation is provided on all Tangible Fixed Assets as follows;

Motor Vehicles	25% reducing balance
Tools	15% reducing balance
Office Furniture	15% reducing balance

c) Stock and Work in Progress

Stock and Work in Progress are valued at the lower of cost and net realisable value. Work in Progress includes the cost of labour and a proportion of production overheads.

d) Deferred Taxation

Provision is made for all short term timing differences only where these are expected to reverse in the foreseeable future.

e) Cash Flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash Flow Statements'.

2. TURNOVER

Turnover represents the invoiced value of goods sold and is stated net of Value Added Tax. All the turnover is attributable to the company's principal activity.

BUTCO HEATING LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED

31 JULY 1995

(CONT....)

3. TANGIBLE FIXED ASSETS

	Total £
<u>Cost</u>	
As at 1 August 1994	16,769
Sale	(5,091)
Addition	8,027
	<hr/>
At 31 July 1995	19,705
	<hr/>
<u>Depreciation</u>	
As at 1 August 1994	14,136
Sale	(4,185)
Charge for the Period	2,356
	<hr/>
At 31 July 1995	12,307
	<hr/>
<u>Net Book Value</u>	
At 31 July 1995	7,398
	<hr/>

4. CALLED UP SHARE CAPITAL

	1995 £	1994 £
<u>Authorised</u>		
Ordinary Shares of £1 each	<u>500</u>	<u>500</u>
<u>Allotted and Fully Paid</u>		
Ordinary Shares of £1 each	<u>500</u>	<u>500</u>

5. HOLDING COMPANY

The company's ultimate holding company is Butco Home Heating Limited, a company incorporated in England.