

D.G. PENNY & SON LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST OCTOBER 1998



D.G. PENNY & SON LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31ST OCTOBER 1998

	Notes	1998	1997
		£	£
Fixed Assets			
Tangible fixed assets		386	578
Current Assets			
Stock and work in progress	5,581	4,000	
Debtors	6,498	30,700	
Cash at bank and in hand	13	12	
	12,092	34,712	
Creditors: Amounts Falling Due Within One Year	59,623	88,725	
Net Current Liabilities		(47,531)	(54,013)
Total Assets Less Current Liabilities		(47,145)	(53,435)
Capital and Reserves			
Share capital	2	100	100
Profit and loss account		(47,245)	(53,535)
Shareholders' Funds		(47,145)	(53,435)

The directors are of the opinion that the company is entitled to exemption from audit conferred by subsection 1 of Section 249A of the Companies Act 1985 for the year ended 31st October 1998.

The directors confirm that no member or members have requested an audit pursuant to subsection 2 of Section 249B of the Companies Act 1985.

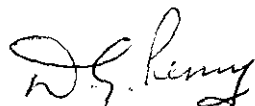
The directors confirm that they are responsible for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts are prepared in accordance with the special provisions of part VII of the Companies Act relating to small companies (section 246(8) of the Act).

These accounts were approved by the board on 30th August 1999 and signed on its behalf.

D G Penny
Director



D G PENNY & SON LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1998

1 Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments by straight line method over their expected useful lives. The rates and periods generally applicable are:

Motor vehicles	25% on cost
Fixtures and fittings	15% on cost

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal.

2 Share Capital

	1998	1997
	£	£
Authorised Equity Shares		
100 Ordinary shares of £1.00 each	100	100
	<u>100</u>	<u>100</u>
Allotted Equity Shares		
- Allotted, called up and fully paid ordinary shares of £1.00 each	100	100
	<u>100</u>	<u>100</u>

D G PENNY & SON LIMITED

MANAGEMENT PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST OCTOBER 1998

	1998	1997
	£	£
Turnover	102,707	126,472
Cost of Sales	<u>67,908</u>	<u>105,560</u>
Gross Profit	34,799	20,912
Less Expenses		
Wages and salaries	6,201	14,414
Rent and rates	3,873	3,959
Light, heat and power	147	57
Telephone	3,596	3,671
Printing, postage and stationery	91	392
Advertising	289	315
Insurance	3,846	3,291
Legal and professional fees	2,660	2,560
Accountancy	750	750
Repairs and renewals	-	1,895
Motor and travel	3,604	3,451
Bank charges	2,433	3,336
Subscriptions and donations	533	225
Entertaining	75	894
General expenses	220	1,043
Depreciation	193	193
	<u>28,511</u>	<u>40,446</u>
Net Profit/Loss for the Year	<u>6,288</u>	<u>(19,534)</u>