

D. MIDGLEY & SONS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31ST MARCH, 1998

Registered number: 795231

LAMBERT, ROPER & HORSFIELD
CHARTERED ACCOUNTANTS



D. MIDGLEY & SONS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31st March, 1998

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D. MIDGLEY & SONS LIMITED

ACCOUNTANTS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

Accountants' report
on the unaudited financial statements to the director of
D. Midgley & Sons Limited

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 3 and 4) have been prepared.

'As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31st March, 1998, set out on pages 4 to 10, and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.'

Lambert Roper & Horsfield

Lambert, Roper & Horsfield
Chartered Accountants

9th September, 1999

D. MIDGLEY & SONS LIMITED

ABBREVIATED BALANCE SHEET

at 31st March, 1998

| | Note | 1998 £ | 1997 £ |
|---------------------------------------------------------|------|-----------------|-----------------|
| Fixed assets | | | |
| Tangible assets | 2 | 84456 | 42743 |
| Current assets | | | |
| Stocks | | 8000 | 4000 |
| Debtors due within one year | | 156030 | 103347 |
| Cash at bank and in hand | | <u>44779</u> | <u>62648</u> |
| | | 208809 | 169995 |
| Creditors: amounts falling due within one year | | <u>(193774)</u> | <u>(143530)</u> |
| Net current assets | | <u>15035</u> | <u>26465</u> |
| Total assets less current liabilities | | 99491 | 69208 |
| Creditors: amounts falling due after more than one year | | (39028) | (4653) |
| Provision for liabilities and charges | | <u>(816)</u> | <u>(1286)</u> |
| | | <u>59647</u> | <u>63269</u> |
| Capital and reserves | | | |
| Called up share capital | 3 | 100 | 100 |
| Profit and loss account | | <u>59547</u> | <u>63169</u> |
| Total shareholders' funds | | <u>59647</u> | <u>63269</u> |

continued

D. MIDGLEY & SONS LIMITED

ABBREVIATED BALANCE SHEET
(continued)

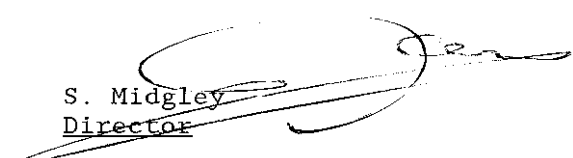
at 31st March, 1998

The director considers that for the year ended 31st March, 1998 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 director acknowledges his responsibility 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 which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

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

The abbreviated financial statements on pages 3 and 4 were approved by the director on 9th September, 1999 and signed by:



S. Midgley
Director

D. MIDGLEY & SONS LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st March, 1998

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

| | |
|-----------------------------|------------------------------------|
| Freehold land and buildings | Not depreciated |
| Plant and machinery | 15% p.a. on reducing balance basis |
| Motor vehicles | 25% p.a. on reducing balance basis |
| Fixtures and fittings | 15% p.a. on reducing balance basis |

No depreciation has been provided on freehold buildings as the company's policy is to maintain the buildings in a continual state of sound repair such that the useful life is so long and the residual value so high that to charge depreciation is considered to be inappropriate.

Hire purchase contracts

Tangible fixed assets acquired under hire purchase contracts are capitalised at the estimated fair value at the date of inception of each contract. The total finance charges are allocated over the period of the contract in such a way as to give a reasonably constant charge on the outstanding liability.

Stocks and work in progress

Stocks are valued 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.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

D. MIDGLEY & SONS LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st March, 1998

2 Fixed assets

| | Tangible fixed assets £ |
|------------------------|-------------------------------|
| Cost | |
| 1st April, 1997 | 102501 |
| Additions | <u>48406</u> |
| 31st March, 1998 | <u>150907</u> |
| Depreciation | |
| 1st April, 1997 | 59758 |
| Charge for the year | <u>6693</u> |
| 31st March, 1998 | <u>66451</u> |
| Net book amount | |
| 31st March, 1998 | <u><u>84456</u></u> |
| 1st April, 1997 | <u><u>42743</u></u> |

3 Called up share capital

| | 1998 | | 1997 | |
|----------------------------------------------|---------------------|------------|---------------------|------------|
| | Number of shares | £ | Number of shares | £ |
| Authorised | | | | |
| Ordinary shares of £1 each | <u>100</u> | <u>100</u> | <u>100</u> | <u>100</u> |
| Allotted called up and fully paid | | | | |
| Ordinary shares of £1 each | <u>100</u> | <u>100</u> | <u>100</u> | <u>100</u> |