

ANNUAL RETURN

DEXLEC REWINDS LIMITED

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31ST MAY 1997

COMPANY NUMBER 2486984



Cowgill, Holloway & Company
CHARTERED ACCOUNTANTS

Bolton

Q.C. Passed	
Date	Initials
3-13/98	---

DEXLEC REWINDS LIMITED

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FOR THE YEAR ENDED 31ST MAY 1997

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**ACCOUNTANT'S REPORT TO THE SHAREHOLDERS ON THE UNAUDITED
ACCOUNTS OF DEXLEC REWINDS LIMITED**

We have examined, without carrying out an audit, the financial statements for the year ended 31st May 1997 set out on pages 5 to 13.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANT

As described on page 7 the company's directors are responsible for the preparation of the financial statements, and they believe that the company is exempt from an audit. It is our responsibility to examine the financial statements and, based on our examination, to report our opinion, as set out below, to the shareholders.

BASIS OF OPINION

We conducted our examination in accordance with the appropriate standards for reporting accountants issued by the Auditing Practices Board. This examination consisted of comparing the financial statements with the accounting records kept by the company and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report.

The examination was not an audit conducted in accordance with Auditing Standards. Accordingly we do not express an audit opinion on the financial statements. Therefore our examination does not provide any assurance that the accounting records and the financial statements are free from material misstatement.

OPINION

In our opinion:

- (a) the financial statements are in agreement with those accounting records kept by the company under section 221 of the Companies Act 1985;

ACCOUNTANT'S REPORT TO THE SHAREHOLDERS ON THE UNAUDITED
ACCOUNTS OF DEXLEC REWINDS LIMITED
(CONTINUED)

- (b) having regard only to, and on the basis of, the information contained in those accounting records:
- (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

DATE: 30 March 1998

Cowgill Holloway & Co
COWGILL, HOLLOWAY & CO
CHARTERED ACCOUNTANTS
& REPORTING ACCOUNTANTS

Regency House
45-49 Chorley New Road
Bolton
BL1 4QR

The above report is a copy of the report made for the purposes of section 249A(2) on the financial statements of Dexlec Rewinds Limited for the year ended 31st May 1997.

DEXLEC REWINDS LIMITED

ABBREVIATED BALANCE SHEET AS AT 31ST MAY 1997

	Notes	1997	1996
		£	£
FIXED ASSETS			
Intangible assets	2	1500	2000
Tangible assets	3	<u>7690</u>	<u>9296</u>
		9190	11296
CURRENT ASSETS			
Work in progress		10000	12000
Debtors		67284	115651
Cash at bank & in hand		<u>4</u>	<u>167</u>
		77288	127818
CREDITORS: Amounts falling due within one year	4	<u>(82193)</u>	<u>(124826)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(4905)</u>	<u>2992</u>
NET ASSETS		<u>4285</u>	<u>14288</u>
CAPITAL AND RESERVES			
Called up share capital	5	100	100
Profit and loss account		<u>4185</u>	<u>14188</u>
SHAREHOLDERS' FUNDS		<u>4285</u>	<u>14288</u>

We confirm that for the year ended 31st May 1997 the company was entitled to the exemption from carrying out an audit in accordance with subsection 2, Section 249A of the Companies Act 1985 and that no member or members holding at least 10% of the issued share capital of the company have requested an audit pursuant to subsection 2 of Section 249B of the Companies Act 1985.

DEXLEC REWINDS LIMITED

ABBREVIATED BALANCE SHEET AS AS 31ST MAY 1997
(CONTINUED)

We acknowledge our responsibilities for ensuring that the company kept accounting records which comply with Section 221 of the Act and for preparing financial statements which give a true and fair view of the state of the affairs of the company at 31st May 1997 and of its profit and loss for the financial year in accordance with Section 226, and which otherwise comply with the requirements of the Act relating to financial statements.

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts on pages 3 to 8 were approved by the board of directors on 1998 and signed on its behalf by:

DIRECTOR *D. Gillam*

DEXLEC REWINDS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MAY 1997**

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with the items which are considered material to the company's affairs.

a) Basis of preparation of financial statements.

The financial statements are prepared under the historical cost convention and incorporate the results of its principal activity which is described in the directors report and which is continuing.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

b) Turnover

Turnover comprises the invoiced value of goods and services provided by the company net of trade discounts, VAT and other related taxes.

c) Intangible fixed assets and amortisation

Intangible fixed assets consists of goodwill, which is amortised on a straight line basis, over its estimated useful life, at a rate of 10% per annum.

d) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets less their estimated residual value, over their expected useful lives, on the following bases:

Fixtures, fittings & equipment	-	15% p.a. Reducing balance
Computer equipment	-	20% p.a. Reducing balance
Motor vehicles	-	25% p.a. Reducing balance

DEXLEC REWINDS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MAY 1997
(CONTINUED)

e) Leasing & hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and the cost less estimated residual value depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

f) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

g) Stocks

Stocks are valued at the lower of cost and net realisable value.

Cost includes all direct costs and an appropriate portion of fixed and variable overheads. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

h) Pension costs

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

i) Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation purposes and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

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DEXLEC REWINDS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MAY 1997
(CONTINUED)**

j) Foreign Currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates. Exchange differences are taken into account in arriving at the operating profit.

2. INTANGIBLE FIXED ASSETS	Total £
COST	
At 1st June 1996 & 31st May 1997	<u>5000</u>
AMORTISATION	
At 1st June 1996	3000
Charge for the year	<u>500</u>
At 31st May 1997	<u>3500</u>
NET BOOK VALUE	
At 31st May 1997	<u>1500</u>
At 31st May 1996	<u>2000</u>
3. TANGIBLE FIXED ASSETS	Total £
COST	
At 1st June 1996	20310
Additions	330
Disposals	<u>-</u>
At 31st May 1997	<u>20640</u>
DEPRECIATION	
At 1st June 1996	11014
Charge for the year	1936
Disposals	<u>-</u>
At 31st May 1997	<u>12950</u>
NET BOOK VALUE	
At 31st May 1997	<u>7690</u>
At 31st May 1996	<u>9296</u>

DEXLEC REWINDS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST MAY 1997
(CONTINUED)

4. SECURED CREDITORS

The total amount of secured creditors at the balance sheet date amounted to £14979 (1996:£9149).

5. SHARE CAPITAL	1997 £	1996 £
Authorised:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

6. TRANSACTIONS WITH DIRECTORS

D Gillam is a director of D G Electrical Limited to whom the company provided services to the value of £60152 on normal commercial terms.