

Company Registration No. 12934 (England and Wales)

WATTS & COMPANY LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1996



WATTS & COMPANY LIMITED

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WATTS & COMPANY LIMITED

AUDITORS' REPORT TO WATTS & COMPANY LIMITED PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4 together with the financial statements of WATTS & COMPANY LIMITED prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of and Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of that Act, in respect of the year ended 31 December 1996 and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with that section.



Freeman Baker

28 October 1997

Chartered Accountants
Registered Auditor

The Old Church
48 Verulam Road
St Albans
Herts AL3 4DH


WATTS & COMPANY LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 1996

	Notes	1996 £	£	1995 £	£
Fixed assets					
Tangible assets	2		3,776		2,719
Investments	2		30		30
			<u>3,806</u>		<u>2,749</u>
Current assets					
Stocks		63,685		51,666	
Debtors		99,174		77,813	
Cash at bank and in hand		56,292		48,724	
		<u>219,151</u>		<u>178,203</u>	
Creditors: amounts falling due within one year		<u>(101,766)</u>		<u>(59,442)</u>	
Net current assets			<u>117,385</u>		<u>118,761</u>
Total assets less current liabilities			<u>121,191</u>		<u>121,510</u>
Capital and reserves					
Called up share capital	3		10,000		10,000
Profit and loss account			111,191		111,510
Shareholders' funds			<u>121,191</u>		<u>121,510</u>

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

The financial statements were approved by the board on 29 September 1997



Miss P.G. Hoare
Director



D.J. Gazeley
Director

WATTS & COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1996

1 Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 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 less estimated residual value of each asset over its expected useful life, as follows:

Leasehold properties	Straight line over the life of the lease
Wallpaper blocks	33.33% Reducing balance
Fixtures, fittings & equipment	20% Reducing balance

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.8 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences 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 foreseeable future.

WATTS & COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1996

2 Fixed assets

	Tangible assets £	Investments £	Total £
Cost			
At 1 January 1996	25,652	30	25,682
Additions	1,945	-	1,945
At 31 December 1996	27,597	30	27,627
Depreciation			
At 1 January 1996	22,933	-	22,933
Charge for the period	888	-	888
At 31 December 1996	23,821	-	23,821
Net book value			
At 31 December 1996	3,776	30	3,806
At 31 December 1995	2,719	30	2,749

3 Share capital

	1996 £	1995 £
Authorised		
1,000 Ordinary shares of £50 each	50,000	50,000
Allotted, called up and fully paid		
200 Ordinary shares of £50 each	10,000	10,000