

Auditors' Report to the directors of Airedale Factors Limited
Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

We have examined the abbreviated accounts on pages 3 to 6 together with the financial statements of Airedale Factors Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30th April 1995.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

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 the exemptions conferred by section A of Part III of Schedule 8 to that Act, in respect of the year ended 30th April 1995 and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other information

On 9th November 1995 we reported, as auditors of Airedale Factors Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30th April 1995 and our audit report was as follows:

'We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention, 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 financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and 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 financial statements 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 information in the financial statements.

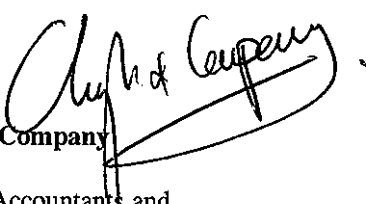
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Auditors' Report to the directors of Airedale Factors Limited
Persuant to Paragraph 24 of Schedule 8 to the Companies Act 1985 (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at the 30th April 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Clough & Company

Date: 9th November 1995

Chartered Accountants and
Registered Auditors

15/17 Devonshire Street,
Keighley,
West Yorkshire.

AIREDALE FACTORS LIMITED

Abbreviated Balance Sheet as at 30th April 1995

	Notes	1995 £	£	1994 £	£
Fixed Assets					
Tangible assets	2		173,106		153,113
Current Assets					
Stocks		77,492		73,461	
Debtors		60,262		54,771	
Cash at bank and in hand		1,298		730	
		<u>139,052</u>		<u>128,962</u>	
Creditors: amounts falling due within one year	3	<u>(93,693)</u>		<u>(100,550)</u>	
Net Current Assets			45,359		28,412
Total Assets Less Current Liabilities			<u>218,465</u>		<u>181,525</u>
Provision for Liabilities and Charges			(100)		(665)
Net Assets			<u><u>218,365</u></u>		<u><u>180,860</u></u>
Capital and Reserves					
Called up share capital	4		3,000		3,000
Profit and loss account			215,365		177,860
Equity Shareholders' Funds			<u><u>218,365</u></u>		<u><u>180,860</u></u>

The notes on pages 4 to 6 form part of these accounts.

In preparing these Financial Statements:

The company has claimed exemptions under Section A of Part III of Schedule 8 to the Companies Act 1985

In the opinion of the directors the company is entitled to these exemptions as a small company

The financial statements were approved by the Board on 16/10/95 and signed on its behalf by

G.B.Elstub
Director

G.B.Elstub

M.R.Elstub
Director

M. Elstub

AIREDALE FACTORS LIMITED

Notes to the Abbreviated Financial Statements For the year ended 30th April 1995

1. Accounting Policies

The financial statements have been prepared in accordance with applicable Accounting Standards.

The accounting policies for dealing with items judged material or critical in stating the results for the year and the financial position of the company are:

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents the invoiced amounts of goods sold and provided, net of value added tax.

1.3 Tangible fixed assets and depreciation

No depreciation is provided on freehold property. It is the company's practice to maintain this asset in a continual state of sound repair and to extend and make improvements thereto from time to time and accordingly the directors consider that the life of this asset is so long and residual value, based on prices prevailing at the time of acquisition or subsequent valuation are so high that the depreciation is insignificant. Any permanent diminution in the value of such property is charged to the profit and loss account as appropriate. Depreciation on all other fixed assets is as follows:

Plant and machinery	- 15% Per annum on written down value
Fixtures, fittings and equipment	- 15% Per annum on written down value
Motor Vehicles	- 25% Per annum on written down value

1.4 Stock

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

1.5 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund, and amounted to £5480 (1994 : £4480).

1.6 Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors considers that a liability to taxation is unlikely to materialise.

AIREDALE FACTORS LIMITED

Notes to the Abbreviated Financial Statements - continued **For the year ended 30th April 1995**

2. Tangible Fixed Assets

	Land and buildings freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1st May 1994	82,941	54,772	5,552	105,332	248,597
Additions	-	-	289	74,280	74,569
Disposals	-	-	(238)	(63,679)	(63,917)
At 30th April 1995	82,941	54,772	5,603	115,933	259,249
Depreciation					
At 1st May 1994	-	37,060	3,226	55,198	95,484
On disposals	-	-	(38)	(36,674)	(36,712)
Charge for the year	-	2,657	362	24,352	27,371
At 30th April 1995	-	39,717	3,550	42,876	86,143
Net book values					
At 30th April 1995	82,941	15,055	2,053	73,057	173,106
At 30th April 1994	82,941	17,712	2,326	50,134	153,113

AIREDALE FACTORS LIMITED

Notes to the Abbreviated Financial Statements - continued **For the year ended 30th April 1995**

3. Creditors	1995	1994
	£	£
Included in creditors are the following:		
Bank Borrowings:		
Due within one year	16,649	39,739

The bank overdraft is secured by a legal mortgage on the deeds of the company's freehold properties.

4. Share Capital	1995	1994
	£	£
Authorised equity		
3,000 Ordinary shares of £1 each	3,000	3,000
Allotted, called up and fully paid equity		
3,000 Ordinary shares of £1 each	3,000	3,000