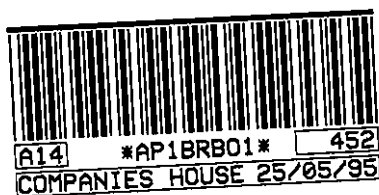


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C H CHAPMAN LIMITED
TRADING & PROFIT & LOSS ACCOUNT
AND BALANCE SHEET
AS AT 31ST AUGUST 1994
Company Registration Number 00522837



ACCOUNTANTS' REPORT TO THE SHAREHOLDERS
ON THE UNAUDITED ACCOUNTS OF
C H CHAPMAN LIMITED

I report on the attached accounts for the year ended 31st August 1994.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Report of the Directors, the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is my responsibility to carry out procedures designed to enable me to report my opinion.

BASIS OF OPINION

My work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so my procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as I considered necessary for the purposes of this report. These procedures provide only the assurances expressed in my opinion.

OPINION

In my opinion:

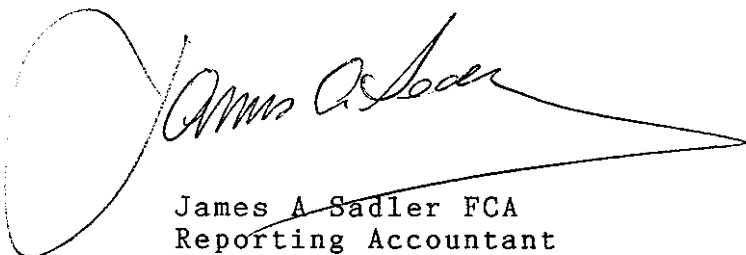
(a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.

(b) having regard only to and on the basis of, the information contained in those accounting records:

(i) the accounts 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 accounts 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).

13 Fountain Place
Barbourne
Worcester
WR1 3HW



James A Sadler FCA
Reporting Accountant

23rd May 1995

C H CHAPMAN LIMITED

BALANCE SHEET AS AT 31ST AUGUST 1994

	<u>1994</u>	<u>1993</u>
FIXED ASSETS		
Tangible Assets	23,171	42,862
Investments	339,845	69,211
	<u>363,016</u>	<u>112,073</u>
CURRENT ASSETS		
Stocks & Tools	7,500	7,500
Debtors	21,769	27,364
Cash at Bank	350,252	602,616
	<u>379,521</u>	<u>637,480</u>
CREDITORS due within one year		
Trade	5,120	28,860
Tax & Social Security	14,308	14,948
Corporation Tax due 1/6/95	4	8,601
Directors' Current Account	234,355	205,457
Proposed Dividend	20,000	20,000
Other Creditors	2,446	1,011
	<u>276,233</u>	<u>278,877</u>
NET CURRENT ASSETS	103,288	358,603
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>466,304</u>	<u>470,676</u>
Share Capital		
Authorised	<u>1,000</u>	<u>1,000</u>
Issued £1 Ordinary Shares	500	500
Profit & Loss Account	465,804	470,176
	<u>466,304</u>	<u>470,676</u>

Attached to this page is a Statement which forms part of the Balance Sheet of C H Chapman Limited

Signed on behalf of the board of directors

.....
Director

Approved by the board 23rd May 1995

J D Willey
J D Willey

C H CHAPMAN LIMITED

STATEMENT ON THE BALANCE SHEET AS AT 31ST AUGUST 1994

For the financial year ended 31st August 1994, the company was entitled to exemption from audit under section 249A(2) Companies Act 1985; and no notice has been deposited under section 249B(2). The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the 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 Companies Act 1985, so far as applicable to the company.

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company qualifies as a small company.

In the preparation of the company's accounts, the directors have taken advantage of special exemptions applicable to small companies provided by Part 1 of Schedule 8 and have done so on the grounds that, in their opinion, the company qualifies as a small company.

Signed on behalf of the board of directors

..... J D Willey
Director

Approved by the board 23rd May 1995

C H CHAPMAN LIMITED

Notes to the Accounts for the Year ended 31st August 1994

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention.

Depreciation is provided as follows:

Freehold Buildings 2% (straight line)

Plant & Machinery 10% (straight line)

Motor Vehicles 20% (straight line)

No depreciation is provided on freehold land

Stocks have been valued by the directors at the lower of cost and net realisable value. The directors consider that stocks do not form a material part of the current assets.

Taxation is charged on the basis of the profit for the year. No provision is made for deferred taxation if there is reasonable evidence that no such taxation will arise in the foreseeable future.

Turnover is stated net of value added tax.

The company takes the exemption of preparing a cash flow statement on the grounds that it qualifies for that exemption as a small company.

2. DEBTORS

Included in debtors is an amount of £8,701 (1993 £3,101) due from Rhondeau Limited, a company wholly owned by J D & E Willey, all transactions between the companies having taken place at open market value.

C H CHAPMAN LIMITED

Notes to the Accounts for the Year ended 31st August 1994

3. FIXED ASSETS

	Factory	Plant	Vehicles	Total
Cost at 1/9/93	25,220	18,524	36,410	80,154
Additions				
Disposals			(21,500)	(21,500)
Cost at 31/8/94	<u>25,220</u>	<u>18,524</u>	<u>14,910</u>	<u>58,654</u>
Depreciation				
as at 1/9/93	4,821	17,534	14,937	37,292
Charge for the Year	434	109	1,948	2,491
Disposals			(4,300)	(4,300)
as at 31/8/94	<u>5,255</u>	<u>17,643</u>	<u>12,585</u>	<u>35,483</u>
Net Book Value				
as at 31/8/94	19,965	881	2,325	23,171
as at 31/8/93	<u>20,399</u>	<u>990</u>	<u>21,473</u>	<u>42,862</u>

Investments are shown at cost.