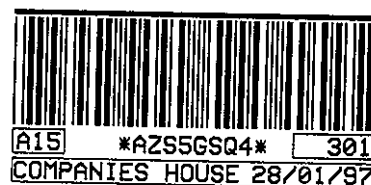


**PORTER & MAKINS LTD**

**ABBREVIATED FINANCIAL STATEMENTS**

**For the year ended 5<sup>th</sup> April, 1996**



**WHITING & PARTNERS  
CHARTERED ACCOUNTANTS  
WISBECH, BURY ST. EDMUNDS,  
CHATTERIS, DOWNHAM MARKET, ELY,  
KINGS LYNN, MARCH, MILDENHALL,  
PETERBOROUGH AND RAMSEY.**

**PORTER & MAKINS LTD**

**AUDITORS REPORT TO PORTER & MAKINS LTD PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the Abbreviated Financial Statements on Pages 3 to 6 together with the Full Financial Statements of Porter & Makins Ltd prepared under Section 226 of the Companies Act 1985 for the year ended 5th April, 1996.

**Respective Responsibilities of Directors and Auditors:**

The Directors are responsible for preparing the Abbreviated Financial Statements 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 Financial Statements 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 Financial Statements 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 5th April, 1996 and the Abbreviated Financial Statements on Pages 3 to 6 have been properly prepared in accordance with that Schedule.

**Other Information:**

On 7th January, 1997, we reported, as auditors of Porter & Makins Ltd to the Members on the Financial Statements prepared under Section 226 of the Companies Act 1985 for the year ended 5th April, 1996 and our audit report was as follows:-

"We have audited the Financial Statements on Pages 6 to 13 which have been prepared under the historical cost convention and the accounting policies set out on Page 8.

**Respective Responsibilities of Directors and Auditors:**

As described on Page 4 the Company's Directors are responsible for the preparation of the 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 of 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 mis-statement, 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 and disclosures in relation to the going concern basis in Note 1 to the Financial Statements. Should the Company cease to trade this basis would not be appropriate. Our opinion is not qualified in this respect.

**PORTER & MAKINS LTD**

**AUDITORS REPORT TO PORTER & MAKINS LTD PURSUANT TO PARAGRAPH 24 OF  
SCHEDULE 8 TO THE COMPANIES ACT 1985 (CONT'D)**

**Opinion:**

In our opinion the Financial Statements give a true and fair view of the state of the Company's affairs as at 5th April, 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

  
**WHITLING & PARTNERS**

**Chartered Accountants  
Registered Auditor  
12/13 The Crescent,  
Wisbech,  
Cambs.  
PE13 1EP**

**7th January, 1997**

**PORTER & MAKINS LTD**

**ABBREVIATED BALANCE SHEET**

**As at 5th April, 1996**

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
<b><u>FIXED ASSETS:</u></b>			
Tangible Assets	2	29,935	36,475
Investments		<u>20</u>	<u>20</u>
		29,955	36,495
<b><u>CURRENT ASSETS:</u></b>			
Stocks		20,666	19,175
Debtors		86,156	84,558
Cash in Hand		<u>574</u>	<u>772</u>
		107,396	104,505
<b><u>CREDITORS:</u></b> amounts falling due within one year		<u>139,681</u>	<u>145,656</u>
<b><u>NET CURRENT LIABILITIES</u></b>		(32,285)	(41,151)
		(2,330)	(4,656)
<b><u>CREDITORS:</u></b> amounts falling due after more than one year:			
Obligations under Hire Purchase Contracts		-	712
<b><u>NET LIABILITIES</u></b>		£(2,330)	£(5,368)
<b><u>CAPITAL AND RESERVES:</u></b>			
Called Up Share Capital	3	220,000	220,000
Capital Reserve		138,275	138,275
Profit and Loss Account		<u>(360,605)</u>	<u>(363,643)</u>
<b><u>TOTAL SHAREHOLDERS FUNDS</u></b>			
<b><u>(including Non-Equity Interests)</u></b>		£(2,330)	£(5,368)

The Directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that the Company is entitled to those exemptions as a small Company.

Approved by the Board and signed on their behalf on 7th January, 1997

  
W.M. MAKINS

- DIRECTOR

The Notes on Pages 4 to 6 form part of these Abbreviated Financial Statements

## **PORTER & MAKINS LTD**

### **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

**As at 5<sup>th</sup> April, 1996**

#### **1. ACCOUNTING POLICIES:**

##### **Basis of Accounting:**

These Financial Statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

##### **Cash Flow Statement:**

The Company has taken advantage of the exemptions provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year on the grounds that it is entitled to the exemptions available in Sections 246 and 247 of the Companies Act 1985 for small Companies.

##### **Going Concern Basis:**

Although the Company has made a profit in the year of £3,038, at the Balance Sheet date current liabilities exceed current assets by £32,285. The Financial Statements, have, however, been prepared on the going concern basis on the premise that the Company's Bankers and the Company's Director W.M. Makins Esq. will continue to support the Company. Should the Company be unable to trade, adjustments may be required to bring the assets of the Company to their recoverable amount and to provide for any further liabilities which might arise as a result of a cessation.

##### **Depreciation:**

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:-

Plant and Machinery	-	15%-25% of written down value per annum
Tenants Improvements to Property	-	10% per annum

##### **Leasing and Hire Purchase Commitments:**

Assets obtained under Finance Leases and Hire Purchase Contracts, are capitalised in the Balance Sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to Profit and Loss Account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

##### **Stocks:**

Stocks are professionally valued and are stated at the lower of cost or net realisable value, a basis consistent with previous years.

Net realisable value is based on estimated selling price less further costs expected to be incurred to disposal.

##### **E.C. Subsidies:**

E.C. Subsidies of a revenue nature are credited to income in the period to which they relate. Amounts received in advance are carried forward as deferred income.

##### **Deferred Taxation:**

Deferred Taxation is provided at the current tax rate on differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the Financial Statements.

**PORTER & MAKINS LTD**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT'D)**

**As at 5th April, 1996**

**2. TANGIBLE FIXED ASSETS:**

	<b><u>Total</u></b>
	<b><u>£</u></b>
<b>Cost:</b>	
At 5th April, 1995	131,833
Additions in year	300
Disposals	<u>(2,500)</u>
<b>At 5th April, 1996</b>	<b>£129,633</b>
<b>Depreciation:</b>	
At 5th April, 1995	95,358
Provided during year	6,180
Disposals	<u>(1,840)</u>
<b>At 5th April, 1996</b>	<b>£99,698</b>
<b>Net Book Value</b>	
<b>At 5th April, 1996</b>	<b>£29,935</b>
<b>Net Book Value</b>	
<b>At 5th April, 1995</b>	<b>£36,475</b>

Included in the amounts for Plant and Machinery above are the following amounts relating to leased assets and assets acquired under Hire Purchase Contracts:

	<b><u>Hire Purchase Contracts</u></b>
<b>Cost:</b>	
At 5th April, 1995 and	
At 5th April, 1996	<u>£30,473</u>
<b>Accumulated Depreciation:</b>	
At 5th April, 1995	<u>£13,873</u>
<b>At 5th April, 1996</b>	<b><u>£18,023</u></b>
<b>Depreciation provided during the year</b>	<b><u>£4,150</u></b>

# **PORTER & MAKINS LTD**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONT'D)**

**As at 5th April, 1996**

### **3. SHARE CAPITAL:**

	<b>Authorised</b>		<b>Allotted, Called Up and Fully Paid</b>	
	<b><u>1996</u></b> <b><u>No.</u></b>	<b><u>1995</u></b> <b><u>No.</u></b>	<b><u>1996</u></b> <b><u>£</u></b>	<b><u>1995</u></b> <b><u>£</u></b>
Ordinary Shares of £1 each 4.5% (now 3.285% plus tax credit)	<b>15,000</b>	15,000	<b>10,200</b>	10,200
Preference Shares of £1 each	<b>15,000</b>	15,000	<b>10,000</b>	10,000
Redeemable Ordinary Shares of £1 each	<b>199,800</b>	199,800	<b>199,800</b>	<b>199,800</b>
			<b>£220,000</b>	£220,000

The Redeemable Ordinary Shares are redeemable at par in whole or in part at any date by and at the discretion of the Company.

In all other respects the rights attaching to the Redeemable Ordinary Shares shall be identical to the rights attaching to the Ordinary Shares.

The Preference Shares carry no voting rights, unless the Preferential Dividend shall remain unpaid for six months after any date fixed for the payment thereof. If the Company shall be wound up the assets remaining after payment of the debts and liabilities of the Company and the costs of liquidation shall firstly be applied in repaying the Preference Shares together with all arrears and accruals of the Preference Dividend whether earned or declared or not to the date of such repayment.

The Directors interest in the share capital of the Company (all beneficially held) were as follows:-

	<b>5th April, 1996</b>		<b>5th April, 1995</b>	
	<b><u>W.M. Makins</u></b>	<b><u>Mrs E. Makins</u></b>	<b><u>W.M. Makins</u></b>	<b><u>Mrs E. Makins</u></b>
Ordinary Shares	<b>10,199</b>	-	10,199	-
Preference Shares	<b>9,990</b>	<b>10</b>	9,990	10
Redeemable Ordinary Shares	<b>199,800</b>	-	199,800	-

### **4. TRANSACTIONS WITH DIRECTORS:**

During the year no Director was materially interested in any contract with the Company other than as follows:-

Rent of land let to the Company:-

W.M. Makins Esq.                      £2,242 per annum (1995 £2,242 per annum)