

J C Payne Engineering Limited

Abbreviated Accounts

for the year ended

31st December 2001

WENN TOWNSEND



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COMPANIES HOUSE

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06/06/02

Wenn Townsend

Chartered Accountants

Oxford

**Auditors' Report to J C Payne Engineering Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 2 to 4 together with the financial statements of J C Payne Engineering Limited for the year ended 31st December 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

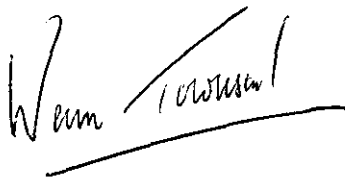
The directors are responsible for preparing abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are 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 financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 31st December 2001, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

A handwritten signature in dark ink, appearing to read 'Wenn Townsend', is written over a horizontal line.

**Wenn Townsend
Chartered Accountants and
Registered Auditors
Oxford**

10th April 2002

J C Payne Engineering Limited

Abbreviated Balance Sheet 31st December 2001

2000

	Notes		
Fixed Assets			
Tangible assets	2	1,171,585	1,151,106
Current Assets			
Stocks		7,432	10,820
Debtors		33,326	35,384
Investments		648,850	840,640
Cash at bank and in hand		1,000	1,085
		<u>690,608</u>	<u>887,929</u>
Creditors: amounts falling due within one year		<u>(40,611)</u>	<u>(13,120)</u>
Net Current assets		<u>649,997</u>	<u>874,809</u>
Total Assets Less Current Liabilities		<u>1,821,582</u>	<u>2,025,915</u>
Provisions for Liabilities and Charges		<u>(51,959)</u>	<u>(44,265)</u>
Net Assets		<u>£ 1,769,623</u>	<u>£ 1,981,650</u>
Capital and Reserves			
Called up share capital	3	5,251	5,251
Revaluation reserve		173,044	317,465
Other reserves		2,749	2,749
Profit and loss account		1,588,579	1,656,185
Shareholders' Funds		<u>£ 1,769,623</u>	<u>£ 1,981,650</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The abbreviated accounts were approved by the Board on 10th April 2002 and signed on its behalf by

J C Payne
Director



J C Payne Engineering Limited

Notes to the Abbreviated Financial Statements for the year ended 31st December 2001

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules except for investments which are stated at valuation, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Cash Flow Statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard 1, on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land and buildings	Nil
Plant and equipment	20% reducing balance

Freehold land and buildings are held as investments. Statement of Standard Accounting Practice number 19 requires that investment properties are valued annually and the aggregate surplus or deficit is transferred to the revaluation reserve.

In accordance with Statement of Standard Accounting Practice number 19 no depreciation is provided in respect of investment properties, such properties not being held for consumption but for investment.

Investments

Investments are stated at market value. Gains or losses arising on revaluation are recognised in the Statement of Total Recognised Gains and Losses. Profits or losses arising on disposal are determined by reference to the difference between the valuation and the sale proceeds and are recognised in the profit and loss account. Investment income is credited to the profit and loss account when receivable.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences.

Pensions

Defined contribution scheme

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

J C Payne Engineering Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31st December 2001**

2. Fixed assets

	Tangible fixed assets
Cost/revaluation	
At 1st January 2001	1,151,681
Additions	21,127
At 31st December 2001	<u>£ 1,172,808</u>
Depreciation	
At 1st January 2001	575
Charge for year	648
At 31st December 2001	<u>£ 1,223</u>
Net book values	
At 31st December 2001	<u>£ 1,171,585</u>
At 31st December 2000	<u>£ 1,151,106</u>

3. Share capital

		2000
Authorised		
10,000 Ordinary shares of £1 each	£ 10,000	<u>£ 10,000</u>
Allotted, called up and fully paid		
5,251 Ordinary shares of £1 each	£ 5,251	<u>£ 5,251</u>