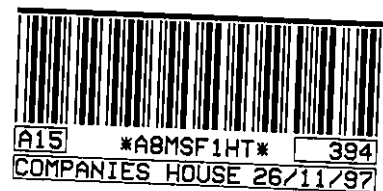


Registered Number 1140355

D. AND J. HITCHINGS (MACHINERY) LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST JANUARY 1997



AUDITORS' REPORT TO

D AND J HITCHINGS (MACHINERY) LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5 together with the full statutory accounts of the company for the year ended 31st January 1997 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the 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 accounts that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. 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 statutory accounts.

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, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

24.11.97  
Ross on Wye

*Thorne & Co.*

THORNE & CO.  
Registered Auditor

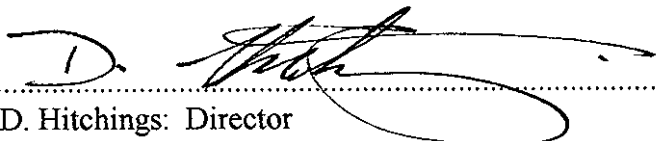
D. AND J. HITCHINGS (MACHINERY) LIMITED

ABBREVIATED BALANCE SHEET - 31ST JANUARY 1997

| <u>FIXED ASSETS</u>                                   | <u>Note</u> | <u>1997</u>    | <u>1996</u>    |
|---|-------------|----------------|----------------|
| Tangible Assets                                       | 2           | <u>190,856</u> | <u>114,666</u> |
| <u>CURRENT ASSETS</u>                                 |             |                |                |
| Stocks  |             | 190,950        | 239,600        |
| Debtors   |             | 34,340         | 12,815         |
| Cash at Bank and In Hand                              |             | <u>150,213</u> | <u>193,245</u> |
|   |             | 375,503        | 445,660        |
| <u>CREDITORS: amounts falling due within one year</u> |             | <u>88,390</u>  | <u>107,217</u> |
| <u>NET CURRENT ASSETS</u>                             |             | <u>287,113</u> | <u>338,443</u> |
| <u>NET ASSETS</u>                                     |             | <u>477,969</u> | <u>453,109</u> |
| <u>CAPITAL AND RESERVES</u>                           |             |                |                |
| Called-Up Share Capital                               | 3           | 1,000          | 1,000          |
| Profit and Loss Account                               |             | <u>476,969</u> | <u>452,109</u> |
| <u>SHAREHOLDERS FUNDS</u>                             |             | <u>477,969</u> | <u>453,109</u> |

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

Signed on behalf of the Board of Directors

  
.....  
D.C.D. Hitchings: Director

Approved by the Board: 24.11.97

# D. AND J. HITCHINGS (MACHINERY) LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST JANUARY 1997

### 1. Accounting Policies

#### a) Basis of Accounting

The accounts have been prepared under the historical cost convention.

#### b) Cash Flow

The accounts do not include a cash flow statement because the Company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow Statements."

#### c) Turnover

Turnover represents amounts invoiced by the company in respect of goods and services provided and the value of work done during the year, excluding Value Added Tax.

#### d) Depreciation

Depreciation is calculated on the reducing balance method so as to write off the cost of tangible fixed assets over their estimated useful lives.

|                     |     |                  |
|---------------------|-----|------------------|
| Freehold Buildings  | 2%  | Reducing Balance |
| Motor Vehicles      | 20% | Reducing Balance |
| Plant and Machinery | 20% | Reducing Balance |

#### e) Stock

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

#### f) Deferred Taxation

No provision has been made as it is considered that no material liability will arise in the foreseeable future.

### 2. Tangible Fixed Assets

|                       | <u>Freehold<br/>Land</u> | <u>Freehold<br/>Buildings</u> | <u>Motor<br/>Vehicles</u> | <u>Plant and<br/>Machinery</u> | <u>Total</u> |
|-----------------------|--------------------------|-------------------------------|---------------------------|--------------------------------|--------------|
| <u>Cost</u>           |                          |                               |                           |                                |              |
| At 31st January 1996  | 59,601                   | 30,810                        | 40,200                    | 20,366                         | 150,977      |
| Additions             | 50,000                   | 81,882                        | 6,250                     | 2,475                          | 140,607      |
| Disposals             | (48,260)                 |                               | (10,000)                  | (1,920)                        | (60,180)     |
| At 31st January 1997  | 61,341                   | 112,692                       | 36,450                    | 20,921                         | 231,404      |
| <u>Depreciation</u>   |                          |                               |                           |                                |              |
| At 31st January 1996  |                          | 11,089                        | 15,240                    | 9,982                          | 36,311       |
| Charged in year       |                          | 616                           | 5,232                     | 2,579                          | 8,427        |
| Disposals             |                          |                               | (3,050)                   | (1,140)                        | (4,190)      |
| At 31st January 1997  |                          | 11,705                        | 17,422                    | 11,421                         | 40,548       |
| <u>Net Book Value</u> |                          |                               |                           |                                |              |
| At 31st January 1996  | 59,601                   | 19,721                        | 24,960                    | 10,384                         | 114,666      |
| At 31st January 1997  | 61,341                   | 100,987                       | 19,028                    | 9,500                          | 190,856      |

D. AND J. HITCHINGS (MACHINERY) LIMITED

CONTINUATION OF NOTES TO THE ACCOUNTS FOR THE YEAR ENDED  
31ST JANUARY 1997

3. Called-Up Share Capital

Authorised

1,000 Ordinary Shares of £1 each

1,000

1,000

=====

=====

Allotted Called-Up and Fully Paid

1,000 Ordinary Shares of £1 each

1,000

1,000

=====

=====

4. Directors' Interests

The directors had no material interest in any contract undertaken by the company during the year.