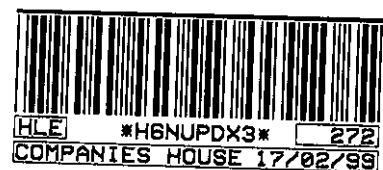


REGISTERED NUMBER: 1326518 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 1998

FOR

DAVID W. DOWNHAM LIMITED



**DAVID W. DOWNHAM LIMITED**

**INDEX TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 1998**

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**DAVID W. DOWNHAM LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 JULY 1998**

**DIRECTORS:** D W Downham  
Mrs S P Downham

**SECRETARY:** S.P. Downham

**REGISTERED OFFICE:** Vine Cottage  
Doncaster Road  
Whitley Bridge  
North Humberside  
DN14 OHY

**REGISTERED NUMBER:** 1326518 (England and Wales)

**AUDITORS:** Bartfield & Co  
Registered Auditors and  
Chartered Accountants  
Burley House  
12 Clarendon Road  
Leeds  
LS2 9NF

**DAVID W. DOWNHAM LIMITED**  
**REPORT OF THE AUDITORS TO**  
**DAVID W. DOWNHAM LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages three to five, together with the full financial statements of the company for the year ended 31 July 1998 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

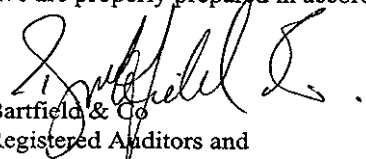
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements 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 consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered 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 full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to five are properly prepared in accordance with those provisions.

  
Bartfield & Co  
Registered Auditors and  
Chartered Accountants  
Burley House  
12 Clarendon Road  
Leeds  
LS2 9NF

Dated: 4 December 1998

**DAVID W. DOWNHAM LIMITED**

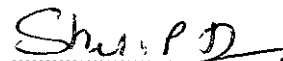
**ABBREVIATED BALANCE SHEET**  
**31 JULY 1998**

		1998		1997	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	2		323,919		241,625
<b>CURRENT ASSETS:</b>					
Stocks		153,564		174,841	
Debtors		59,271		35,896	
Cash at bank		<u>55,355</u>		<u>162,472</u>	
		268,190		373,209	
<b>CREDITORS: Amounts falling due within one year</b>	3	<u>262,307</u>		<u>280,339</u>	
<b>NET CURRENT ASSETS:</b>			<u>5,883</u>		<u>92,870</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>£329,802</u>		<u>£334,495</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	4		10,002		10,002
Profit and loss account			<u>319,800</u>		<u>324,493</u>
Shareholders' funds			<u>£329,802</u>		<u>£334,495</u>

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

**ON BEHALF OF THE BOARD:**

  
.....  
D W Downham - DIRECTOR

  
.....  
Mrs S P Downham - DIRECTOR

Approved by the Board on 31 December 1998

The notes form part of these financial statements

**DAVID W. DOWNHAM LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 1998**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Buildings	- 15% on reducing balance
Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33 $\frac{1}{3}$ % on cost

**Stocks**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**Operating leases**

Rentals under operating leases are charged on a straight line basis over the term of the lease.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**DAVID W. DOWNHAM LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 1998**

**2. TANGIBLE FIXED ASSETS**

	<u>Total</u>
	£
<b>COST:</b>	
At 1 August 1997	833,391
Additions	235,680
Disposals	<u>(110,235)</u>
At 31 July 1998	<u>958,836</u>
<b>DEPRECIATION:</b>	
At 1 August 1997	591,766
Charge for year	108,519
Eliminated on disposals	<u>(65,368)</u>
At 31 July 1998	<u>634,917</u>
<b>NET BOOK VALUE:</b>	
At 31 July 1998	<u>323,919</u>
At 31 July 1997	<u>241,625</u>

The net book value of tangible fixed assets includes an amount of £nil (1997 - £55,000) in respect of assets held under hire purchase contracts.

**3. RETENTION OF TITLE**

Certain trade creditors have supplied goods under terms which include a retention of title clause. In view of the nature of this security and as the liability is cleared in the normal course of business, it is not considered practicable to quantify the amount involved.

**4. CALLED UP SHARE CAPITAL**

<b>Authorised:</b>				
Number:	Class:	Nominal value:	1998	1997
		£1	£	£
50,000	Ordinary		<u>50,000</u>	<u>50,000</u>
 <b>Allotted, issued and fully paid:</b>				
Number:	Class:	Nominal value:	1998	1997
		£1	£	£
5,001	Ordinary		<u>10,002</u>	<u>10,002</u>

**5. RELATED PARTY DISCLOSURES**

During the year rent of £34,823 (1997:£29,138) has been paid to the directors in respect of land used by the company but owned by the directors. The directors consider the rent charged to represent a full market rent for the property.

Mr D W Downham is a director of W H Downham & Son Limited, a company whose turnover with David W Downham Limited was £20,927 during the year, W H Downham & Son re-charged to the company goods to the value of £2,032. At 31 July 1998 W H Downham & Son Limited owed the company £2,249.