

A.C. WOOD (SPECIALITY FIBRES) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

31ST MAY 1997

Registered number: 1327140



HORWATH CLARK WHITEHILL

CHARTERED ACCOUNTANTS

Bradford

A.C. WOOD (SPECIALITY FIBRES) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 31st May 1997

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A.C. WOOD (SPECIALITY FIBRES) LIMITED**AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS**

**Auditors' report to
A.C. Wood (Speciality Fibres) Limited
under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 2 to 4 together with the financial statements of the company for the year ended 31st May 1997 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 considered 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 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 2 to 4 are properly prepared in accordance with those provisions.

Other information

On 3rd March 1998 we reported as auditors to the members of the company on the financial statements prepared under section 226 of the Companies Act 1985 and our report was as follows:

'We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of 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.

continued

A.C. WOOD (SPECIALITY FIBRES) LIMITED**AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS**
(continued)

Auditors' report to
A.C. Wood (Speciality Fibres) Limited
under section 247B of the Companies Act 1985

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 misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Qualified opinion arising from disagreement about accounting treatment

As stated in the accounting policies on page 7 and in notes 7 and 8, fixed assets includes investment properties which are shown at a historical cost of £244,102. Under Statement of Standard Accounting Practice No 19, these properties should be included in the balance sheet at open market value. No open market valuation has been obtained and the difference between historical cost and market value and the consequential adjustments to the accounts cannot therefore be quantified.

Except for accounting for the investment properties as referred to as above and subject to any adjustment which might be necessary as a result of it, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st May 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'

Horwath Clark Whitehill

Bradford

Horwath Clark Whitehill
Registered Auditors
Chartered Accountants

A.C. WOOD (SPECIALITY FIBRES) LIMITED

ABBREVIATED BALANCE SHEET

at 31st May 1997

	Note	1997 £	1996 £
Fixed assets			
Tangible assets	2	315,667	312,075
Investments	2	64,037	72,525
		<u>379,704</u>	<u>384,600</u>
Current assets			
Stocks		252,628	310,041
Debtors		292,869	207,822
Investments		20,000	20,000
Cash at bank and in hand		18,329	272,207
		<u>583,826</u>	<u>810,070</u>
Creditors: amounts falling due within one year		<u>(148,134)</u>	<u>(323,925)</u>
Net current assets		<u>435,692</u>	<u>486,145</u>
Total assets less current liabilities		<u>815,396</u>	<u>870,745</u>
Capital and reserves			
Called up share capital	3	5,000	5,000
Profit and loss account		810,396	865,745
Total shareholders' funds		<u>815,396</u>	<u>870,745</u>

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

The abbreviated financial statements on pages 2 to 4 were approved by the board of directors on and signed on its behalf by:

J.D. Wood
Director



A.C. WOOD (SPECIALITY FIBRES) LIMITED**NOTES ON ABBREVIATED FINANCIAL STATEMENTS****31st May 1997****1 Accounting policies****Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

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 buildings	2% reducing balance
Investment properties	Nil%
Equipment, furniture and fittings	15%-25% reducing balance
Motor vehicles	25% reducing balance

Investment properties

Investment properties are included in the accounts at their original cost. The directors consider the investment properties have an estimated useful life in excess of 50 years. In view of this and having regard to the general policy of maintaining the property in good repair, no depreciation is provided as the amount is immaterial.

Leases and hire purchase contracts

Rentals paid under operating leases are charged to income as incurred.

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 to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date. All differences are taken to the profit and loss account.

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.

A.C. WOOD (SPECIALITY FIBRES) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st May 1997

2 Fixed assets

Cost	Tangible fixed assets £	Fixed asset investments £	Total £
1st June 1996	420,461	159,912	580,373
Additions	30,432	-	30,432
Disposals	(22,290)	-	(22,290)
31st May 1997	428,603	159,912	588,515
Depreciation			
1st June 1996	108,386	87,387	195,773
Charge for year	14,302	8,488	22,790
Disposals	(9,752)	-	(9,752)
31st May 1997	112,936	95,875	208,811
Net book amount			
31st May 1997	315,667	64,037	379,704
1st June 1996	312,075	72,525	384,600

3 Called up share capital

	1997		1996	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	5,000	5,000	5,000	5,000
Allotted called up and fully paid				
Ordinary shares of £1 each	5,000	5,000	5,000	5,000