

136-3/64

A. L. PAUL AND COMPANY LIMITED.
AUDITORS' REPORT TO THE DIRECTORS.
UNDER THE COMPANIES ACT 1985.

In our opinion the Company satisfies the requirements of s.248(1) of the Companies Act 1985 for exemption as a small company in respect of the Year ended 31st March, 1988, and in particular, the Modified Accounts have been properly prepared in accordance with that Act. We are not required to express an audit opinion on the truth and fairness of these Modified Accounts.

We reported, as Auditors of A. L. Paul and Company Limited to the members on the Company's Financial Statements prepared under s.227 of the Companies Act 1985 for the Year ended 31st March, 1988, and our audit opinion was as follows:

"We have audited the Financial Statements set out on the following pages in accordance with approved Auditing Standards".

In common with many businesses of similar size and organisation, the Company's system of internal control is dependent on the close involvement of the Directors. Where independent confirmation was therefore not available, we have accepted assurances from the Directors that all the Company's transactions have been reflected in the records.

We have been unable to verify the value of stock included in the Financial Statements at the Directors' valuation of £69,750.

Subject to the foregoing, in our opinion the Financial Statements, which have been prepared under the historical cost convention, give a true and fair view of the state of the Company's affairs at 31st March, 1988, and of its results and source and application of funds for the year then ended and comply with the Companies Act 1985."

G Beech & Co.,
Certified Accountants,
7 Stamford Square,
ASHTON-UNDER-LYNE,
Lancashire,
OL6 6QU

June, 1988.



A. L. PAUL AND COMPANY LIMITED.

MODIFIED BALANCE SHEET.

AT 31ST MARCH, 1988.

	Notes	1988	1987
<u>Fixed Assets</u>			
Tangible Assets		418518	253971
<u>Current Assets</u>			
Stocks		69750	70000
Debtors		50718	130881
Cash at Bank and In hand		47	553
		<u>120515</u>	<u>201434</u>
<u>Current Liabilities</u>			
Creditors - Amounts falling due within one year		<u>269161</u>	<u>220674</u>
<u>Net Current Liabilities</u>		<u>(148646)</u>	<u>19240</u>
<u>Total Assets Less Current Liabilities</u>		269872	234731
Creditors: Amounts falling due after more than one year		<u>68387</u>	<u>67154</u>
		<u>201485</u>	<u>167577</u>
<u>Capital and Reserves</u>			
Called up Share Capital	1	200	200
Profit and Loss Account		<u>201285</u>	<u>167377</u>
		<u>201485</u>	<u>167577</u>

The Company complies with the requirements of s.248(1) of the Companies Act 1985 for exemption as a small sized company.

Accordingly these Modified Financial Statements have been prepared to comply with that Act. The Unmodified Financial Statements were approved by the Board of Directors on 2nd June, 1988.

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Mr H Newton, Director

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Mrs I Newton, Director

A. L. PAUL AND COMPANY LIMITED.
ACCOUNTING POLICIES.
FOR THE YEAR ENDED 31ST MARCH, 1988.

Basis of Financial Statements

These Financial Statements have been prepared under the historical cost convention whereby assets and liabilities are included in the Balance Sheet at or below costs incurred at their dates of acquisition.

Stock

Stocks are included at the lower of cost or net realisable value as follows:

Materials - Cost of bringing each item to its present location on a first in first out basis.

Work in Progress - Cost of direct materials and labour plus attributable overheads.

Depreciation

Depreciation has been provided using the following rates and bases to reduce by annual instalments the cost of the fixed assets over the estimated useful life of the assets.

Plant and Machinery	10% P.A.	Reducing Balance
Fixtures and Fittings	10% P.A.	Reducing Balance
Motor Vehicles	20% P.A.	Reducing Balance

Called Up Share Capital

	1983	1987
	£	£
Ordinary Shares		
Authorised	1000	1000
	<u> </u>	<u> </u>
Allotted Called Up and Fully Paid	200	200
	<u> </u>	<u> </u>