

**PATCHETTS GREEN LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 1996**

Company Number: 1721634



PATCHETTS GREEN LIMITED

COMPANY INFORMATION

Directors	D. E. McTaggart J. L. Skender F. Collins A. Theodorou
Secretary	Cornhill Secretaries Limited
Company Number	1721634
Registered Office	St. Paul's House, Warwick Lane, London EC4P 4BN
Auditors	Wilder Coe Chartered Accountants 233-237 Old Marylebone Road London NW1 5QT

PATCHETTS GREEN LIMITED

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PATCHETTS GREEN LIMITED

AUDITORS' REPORT TO THE DIRECTORS OF PATCHETTS GREEN LIMITED

We have examined the abbreviated accounts on pages 3 to 5 together with the full financial statements of Patchetts Green Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. 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 financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act in respect of the year ended 31 March 1996 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

Other information

On 24 April 1997 we reported, as auditors of Patchetts Green Limited, to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1996, and our audit report was as follows:

"We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 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.

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 other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in Note 1 to the financial statements concerning over the negative working capital and the deficit of net assets over liabilities. In view of the significance of this uncertainty, we consider that it should be brought to your attention, but our opinion is not qualified in this respect.

PATCHETTS GREEN LIMITED

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Wilder Coe

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WILDER COE

Chartered Accountants and Registered Auditors
233-237 Old Marylebone Road
London
NW1 5QT

Date : 24 April 1997

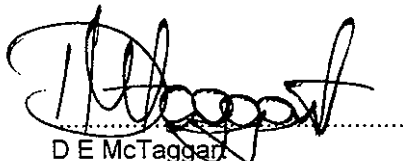
PATCHETTS GREEN LIMITED

ABBREVIATED BALANCE SHEET
As at 31 March 1996

	Note	£	1996 £	£	1995 £
FIXED ASSETS					
Tangible fixed assets	2		657,899		346,994
CURRENT ASSETS					
Stocks		144,666		89,414	
Debtors		35,602		34,147	
Cash at bank and in hand		9,567		2,072	
			<u>189,835</u>	<u>125,633</u>	
CREDITORS: amounts falling due within one year			<u>(274,979)</u>	<u>(132,337)</u>	
NET CURRENT LIABILITIES			<u>(85,144)</u>		<u>(6,704)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>572,755</u>		<u>340,290</u>
CREDITORS: amounts falling due after more than one year			835,554		479,006
NET LIABILITIES			<u>£ (262,799)</u>		<u>£ (138,716)</u>
CAPITAL AND RESERVES					
Called up share capital	3		100		100
Profit and loss account			(262,899)		(138,816)
SHAREHOLDERS' FUNDS			<u>£ (262,799)</u>		<u>£ (138,716)</u>

In preparing these abbreviated accounts the directors have taken advantage of the exemptions conferred by Schedule 8 Part III of the Companies Act 1985, and have done so on the grounds that, in their opinion, the company qualifies as a small company and is entitled to make use of the exemptions.

The abbreviated accounts were approved by the board on 17th April, 1997 and signed on its behalf



D E McTaggart

Director

The notes on pages 4 to 5 form part of these financial statements.

PATCHETTS GREEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 1996

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and include the results of the company's operations all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

The whole of the turnover and profit before taxation is attributable to the one principal activity of the company, being that of a horse riding school and equestrian centre.

The company's turnover arose entirely within the UK.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

	-	%	
Plant & machinery	-	15%	Reducing balance
Motor vehicles	-	25%	Reducing balance
Fixtures & fittings	-	10%	Reducing balance

1.4 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.5 Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value. The livestock, which is included at market value which is lower than cost, is revalued each year in order to take into account the age and the condition of the livestock.

1.6 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.7 Going concern

At the balance sheet date the company had net current liabilities of £85,144, (1995 : net current liabilities of £6,704), and a deficit of assets over liabilities of £262,799, (1995 : £138,716). The company is reliant upon the continued support of Exchange Limited who had provided funds of £835,554. Exchange Limited has confirmed that it will not ask for repayment of its loan during the next twelve months and will subordinate its claim to other creditors. In addition, the directors have indicated their willingness to support the company for the next 12 months following the date of the account. On this basis, in the opinion of the directors, it is appropriate to prepare the financial statements on a going concern basis.

PATCHETTS GREEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
For the year ended 31 March 1996

2. TANGIBLE ASSETS

	£
At 1 April 1995	422,935
Additions	332,439
At 31 March 1996	<u>755,374</u>
Depreciation	
At 1 April 1995	75,941
Charge for year	21,534
At 31 March 1996	<u>97,475</u>
Net Book Value	
At 31 March 1996	<u>£ 657,899</u>
At 31 March 1995	<u>£ 346,994</u>

3. CALLED UP SHARE CAPITAL

	1996 £	1995 £
Authorised		
100 ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>£ 100</u>	<u>£ 100</u>

4. TRANSACTIONS WITH DIRECTORS

As at balance sheet date, the company was indebted to McTaggart Shipping Management Company Limited of £4,663 (1995 : £4,663), a company in which D McTaggart had significant interests.