

REPORT OF THE AUDITORS TO THE DIRECTORS

OF

BAPP INDUSTRIAL SUPPLIES (HULL) LIMITED

(FOR THE PURPOSES OF PARAGRAPH 10 OF
SCHEDULE 8 TO THE COMPANIES ACT 1985)

We reported as auditors to the members on 14th January 1991 on the company's accounts prepared under section 227 of the Companies Act 1985 for the year ended 31st August 1990 as follows:-

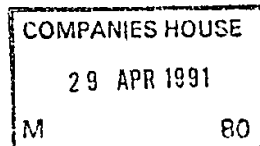
We have audited the accounts set out on pages 3 to 9 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31st August 1990 and of the profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the directors are entitled under sections 247 to 249 of the Companies Act 1985 to deliver modified accounts in respect of the year ended 31st August 1990 and in particular the modified accounts have been properly prepared in accordance with Schedule 8 to the Act.

Moore Fletcher & Co.

MOORE FLETCHER & CO.
Chartered Accountants
Sheffield
14th January 1991



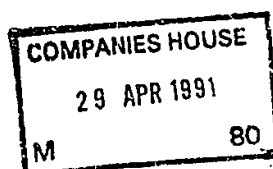
BAPP INDUSTRIAL SUPPLIES (HULL) LIMITEDBALANCE SHEET 31st AUGUST 19901989

26,855	<u>FIXED ASSETS</u> Tangible assets	40,816
	<u>CURRENT ASSETS</u>	
68,252	Stocks	72,156
222,625	Debtors	194,686
<u>290,877</u>		<u>266,842</u>
	<u>CREDITORS: amounts falling due within one year</u>	
11,392	Bank overdraft	30,881
243,966	Creditors	200,039
3,656	Corporation tax	2,555
<u>259,014</u>		<u>233,475</u>
31,863	<u>NET CURRENT ASSETS</u>	33,367
58,718	<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>	74,183
	<u>CREDITORS: amounts falling due after more than one year</u>	
4,411		17,985
54,307		56,198
	<u>PROVISION FOR LIABILITIES AND CHARGES</u>	
1,550	Deferred taxation	1,900
<u>52,757</u>		<u>54,298</u>
	<u>CAPITAL AND RESERVES</u>	
10,000	Called up share capital	7,000
-	Capital redemption reserve	3,000
42,757	Profit and loss account	44,298
<u>52,757</u>		<u>54,298</u>

In preparing these modified accounts, we have relied upon the exemptions for individual accounts contained in the Companies Act 1985 and we have done so on the grounds that the company is entitled to the benefit of those exemptions as a small company.

B.M. Cook
P.A. Reeve

B.M. COOK)
P.A. REEVE) Directors



BAPP INDUSTRIAL SUPPLIES (HULL) LIMITEDNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st AUGUST 1990

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention.

Turnover

Turnover, which excludes value added tax, represents the invoiced value of goods and services supplied.

Depreciation

Depreciation of fixed assets is provided on a straight line basis at the following annual rates calculated to write off the assets over their useful lives:-

Plant and equipment	10% or 20%
Motor vehicles	20%

Leased assets

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Stocks

Stocks which comprise goods held for resale are valued at the lower of cost and net realisable value.

Deferred taxation

Provision is made for deferred taxation calculated by the liability method to the extent that it is anticipated that a liability will arise in the foreseeable future.

2. SHARE CAPITAL

	<u>1990</u>	<u>1989</u>
Authorised ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, issued and fully paid	<u>7,000</u>	<u>10,000</u>

During the year the company purchased 3,000 of its own ordinary shares of £1 each at a cost of £3,000.

3. APPROVAL OF ACCOUNTS

The accounts were approved by the board of directors on 14th January 1991.