

WAUGH·HAINES·RIGBY

C H A R T E R E D · A C C O U N T A N T S

DAVANT PRODUCTS LIMITED**ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MAY 1996**

Registered Number: 2389394



INVESTOR IN PEOPLE

GLOUCESTER
TEWKESBURY

AUDITORS' REPORT TO DAVANT PRODUCTS LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 3 to 6 together with the financial statements of Davant Products Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st May 1996.

Respective responsibilities of director and auditors

The director is responsible for preparing the abbreviated financial statements 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 director's statement on page 2 and whether the abbreviated financial statements 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 financial statements 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 31st May 1996, and the abbreviated financial statements on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other information

On 10th September 1996 we reported, as auditors of Davant Products Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st May 1996, and our audit 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 pages 8 and 9.

Respective responsibilities of director and auditors

As described on page 2 the company's director is 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 director 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.

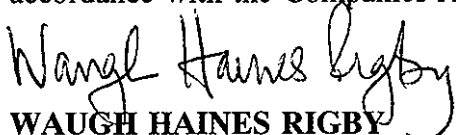
AUDITORS' REPORT TO DAVANT PRODUCTS LIMITED (CONTINUED)

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

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.

Opinion

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



WAUGH HAINES RIGBY

Chartered Accountants and Registered Auditor,
Tewkesbury.

10th September 1996

DAVANT PRODUCTS LIMITED

BALANCE SHEET AT 31ST MAY 1996

	Note	1996 £	1995 £
FIXED ASSETS			
Tangible assets	2	151,205	174,090
CURRENT ASSETS			
Stocks		96,908	95,284
Debtors		503,403	419,818
Cash at bank and in hand		205	205
		<u>600,516</u>	<u>515,307</u>
CREDITORS: amounts falling due within one year		<u>638,162</u>	<u>536,199</u>
Net current (liabilities)		(37,646)	(20,892)
TOTAL ASSETS LESS CURRENT LIABILITIES		113,559	153,198
CREDITORS: amounts falling due after more than one year	3	(5,940)	(24,074)
Provision for liabilities and charges		-	(1,268)
Accruals and deferred income		<u>(23,060)</u>	<u>(24,020)</u>
		(29,000)	(49,362)
		<u>£84,559</u>	<u>£103,836</u>
CAPITAL AND RESERVES			
Called up share capital	4	3,600	3,600
Share premium account		29,400	29,400
Profit and loss account		51,559	70,836
		<u>£84,559</u>	<u>£103,836</u>

In preparing these financial statements we have relied upon the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985. We have done so on the grounds that the company qualifies for those exemptions as a small company.

The financial statements were approved by the director on 10 SEPTEMBER 1996.



D. Merrick
Director

The accounting policies and notes on pages 4 to 6 form part of these financial statements.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MAY 1996**

1. Accounting policies

The financial statements have been prepared under the historical cost convention.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below:

Turnover

Turnover is the total amount receivable by the company in the ordinary course of business with outside customers for goods supplied as a principal and for services provided, excluding VAT and trade discounts.

Cash Flow Statement

A cash flow statement has not been prepared in accordance with Financial Reporting Standard No. 1 because the company qualifies as a small company under Section 247 of the Companies Act 1985.

Depreciation

Depreciation is calculated by the reducing balance method and aims to write down the cost of all tangible fixed assets other than freehold land and investment properties over their expected useful economic lives. The rates generally applicable are:

Office equipment	25%
Equipment	25%
Motor Vehicles	25%
Property improvements	4%

Stock

Stock is stated at the lower of cost and net realisable value.

Deferred Taxation

Deferred taxation is the taxation attributable to timing differences between profits or losses as computed for tax purposes and results as stated in the financial statements.

Deferred taxation is provided to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Deferred taxation is calculated at the rates at which it is estimated that the tax will be paid when the timing differences reverse.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST MAY 1996

1. Accounting policies - continued

Contributions to Pension Funds

Defined contribution scheme

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

2. Tangible fixed assets

	Property Improvements £	Equipment £	Office Equipment £	Motor Vehicles £	Total £
Cost					
At 1st June 1995	108,033	25,384	11,132	77,197	221,746
Additions	-	16,135	385	15,499	32,019
Disposals	-	(11,887)	(368)	(37,499)	(49,754)
At 31st May 1996	108,033	29,632	11,149	55,197	204,011
Depreciation					
At 1st June 1995	8,469	15,124	6,370	19,301	47,656
Provided in the year	3,982	5,583	1,645	11,318	22,528
Eliminated on disposals	-	(7,814)	(189)	(9,375)	(17,378)
At 31st May 1996	12,451	12,893	6,218	21,244	52,806
Net book amount					
At 31st May 1996	£95,582	£16,739	£4,931	£33,953	£151,205
At 31st May 1995	£99,564	£10,260	£6,370	£57,896	£174,090

The figures stated above include assets held under finance leases as follows:

	£
Net book amount	
At 31st May 1996	£30,580
Net book amount	
At 31st May 1995	£57,896

DAVANT PRODUCTS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST MAY 1996****3. Creditors: amounts falling due after more than one year**

	1996 £	1995 £
Other creditors	<u>£5,940</u>	<u>£24,074</u>

4. Share capital

	1996 £	1995 £
Authorised 30,000 ordinary shares of £1 each	<u>£30,000</u>	<u>£30,000</u>
Allotted, called up and fully paid 3,600 ordinary shares of £1 each	<u>£3,600</u>	<u>£3,600</u>