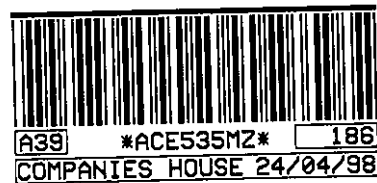


**BAPP INDUSTRIAL SUPPLIES (MANSFIELD)**  
**LIMITED**

**ABBREVIATED ACCOUNTS**

**31 DECEMBER 1997**

**Registered number: 2496385**



**BARBER HARRISON & PLATT**

**Chartered Accountants**

**Sheffield**

**BAPP INDUSTRIAL SUPPLIES (MANSFIELD) LIMITED**

**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 1997**

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**AUDITORS' REPORT TO BAPP Industrial Supplies (Mansfield) Limited****(under section 247B of the Companies Act 1985)**

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 31 December 1997 prepared under section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

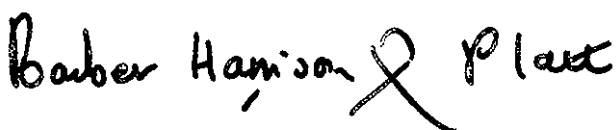
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts 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 consider necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



**BARBER HARRISON & PLATT**  
Chartered Accountants and  
Registered Auditors

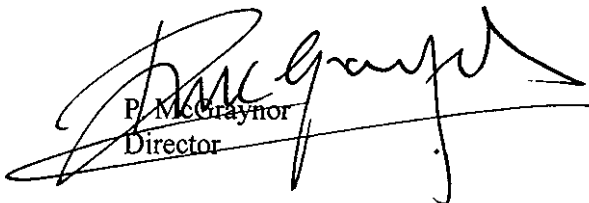
Sheffield  
18 March 1998

**BAPP INDUSTRIAL SUPPLIES (MANSFIELD) LIMITED****ABBREVIATED BALANCE SHEET****AT 31 DECEMBER 1997**

	Note	£	1997 £	£	1996 £
<b>Fixed assets</b>					
Tangible assets	2		53,992		55,469
<b>Current assets</b>					
Stocks		25,178		38,760	
Debtors		125,152		271,490	
Cash at bank and in hand		132		649	
			150,462		310,899
<b>Creditors: amounts falling due within one year</b>			(212,804)		(334,349)
<b>Net current liabilities</b>			(62,342)		(23,450)
<b>Total assets less current liabilities</b>			(8,350)		32,019
<b>Creditors: amounts falling due after more than one year</b>	3		(7,943)		(26,112)
			(16,293)		5,907
<b>Capital and reserves</b>					
Called up share capital	4		100		100
Profit and loss account			(16,393)		5,807
<b>Equity shareholders' funds</b>			(16,293)		5,907

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts on pages 2 to 5 were approved by the board of directors on 18 March 1998 and signed on its behalf by:

  
P. McGraynor  
Director

**BAPP INDUSTRIAL SUPPLIES (MANSFIELD) LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 1997**

**1 Accounting policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules and on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future.

The accounts show a loss for the year of £22,200, and a deficiency in shareholders' funds at the year end of £16,293. The directors have however agreed to subordinate their current account balances until such time as the company has returned to profitability and funds are available. The company's bank borrowings are also supported by other related parties to the cross guarantee (see note 14 to the accounts). A new manager has been appointed and the directors are optimistic that the company will return to profitability during the current financial year.

The directors believe in light of the above that it is appropriate for the financial statements to be prepared on a going concern basis.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

**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 provided on a straight line basis at the following annual rates calculated to write off their cost or valuation less any residual value over their estimated useful lives:

Motor vehicles	20% - 25%
Plant and equipment	10% - 20%

**Leases and hire purchase contracts**

Assets which are financed by leasing and similar arrangements that give rights approximating to ownership are capitalised in the balance sheet and are depreciated over their useful lives. Outstanding obligations under such agreements net of interest are included as liabilities within creditors. The interest element of rental obligations is charged to the profit and loss account over the period of the leases and represents a constant proportion of the balance of capital repayments outstanding. Operating lease rentals are charged to profit and loss account as incurred.

**BAPP INDUSTRIAL SUPPLIES (MANSFIELD) LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 1997****1 Accounting policies** continued**Stocks**

Stocks are valued at the lower of cost and net realisable value. Net realisable value is the price at which the stock could be realised in the normal course of trade.

**Deferred taxation**

Provision is made for deferred taxation, using the liability method, on all timing differences to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

**2 Fixed assets**

<b>Cost</b>	<b>Tangible fixed assets £</b>
1 January 1997	84,667
Additions	25,960
Disposals	(16,026)
31 December 1997	<u>94,601</u>
<b>Depreciation</b>	
1 January 1997	29,198
Charge for year	22,144
Disposals	(10,733)
31 December 1997	<u>40,609</u>
<b>Net book amount</b>	
31 December 1997	<u><u>53,992</u></u>
1 January 1997	<u><u>55,469</u></u>

**BAPP INDUSTRIAL SUPPLIES (MANSFIELD) LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 1997****3 Creditors**

Creditors include the following secured amounts:

	1997 £	1996 £
Bank overdraft	49,139	72,270
Hire purchase creditors	22,638	30,949
	<u>71,777</u>	<u>103,209</u>

**4 Called up share capital**

	1997 £	1996 £
<b>Authorised</b>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid</b>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**5 Contingent liabilities**

The company has an agreement to cross guarantee the bank overdrafts of the various companies in which the directors Mr P. McGraynor, Mr D.G. Cook and Mr B.M. Cook have a material interest.