

Beech House (Partington) Limited  
(Company Registration Number 2535852)

ABBREVIATED ACCOUNTS

30 SEPTEMBER 1994

Broadley & Co.  
Certified Accountants  
Greetland  
Halifax  
West Yorkshire



Beech House (Partington) Limited

ABBREVIATED ACCOUNTS 1994

C O N T E N T S

	<u>Page</u>
Auditors' Report	1-to-2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Accounts	4-to-8

AUDITORS' REPORT TO THE DIRECTORS OF

Beech House (Partington) Limited

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985, AS AMENDED

We have examined the abbreviated accounts on pages 3-to-8 together with the full financial statements of Beech House (Partington) Limited for the period ended 30 September 1994. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 3 and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion, the company is entitled under sections 246 and 247 of the Companies Act 1985 as amended, to the exemptions conferred by Section A of Part III of Schedule 8 to that Act in respect of the period ended 30 September 1994 and the abbreviated accounts on pages have been properly prepared in accordance with that schedule.

On 18 June 1996 we reported, as auditors of Beech House (Partington) Limited, to the shareholders on the full financial statements prepared under section 226 of the Companies Act 1985, as amended, for the period ended 30 September 1994 and our audit report was as follows:

"We have audited the financial statements on pages 6-to-15 which have been prepared under the historical cost convention and the accounting policies set out on pages 8-to-9.

Respective responsibilities of directors and auditors

As described on page 3, 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, reliable and relevant evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by error, fraud or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

AUDITORS' REPORT TO THE DIRECTORS OF

Beech House (Partington) Limited (Continued)

Fundamental Uncertainty

In forming our opinion, we have considered the adequacies of the disclosures made in the Financial Statements concerning the possible outcome of litigation with regard to the ownership of certain of the fixed assets shown in the Balance Sheet, and the responsibility for some of the liabilities also disclosed in the same Balance Sheet. In addition, the legal formalities with regard to the transfer of freehold properties shown in the Balance Sheet from the company's director to the company itself, have not yet been completed, nor has the transfer of the responsibility for the liabilities secured against those properties, which although shown in the company's Balance Sheet, are still legally the responsibility of the company's director.

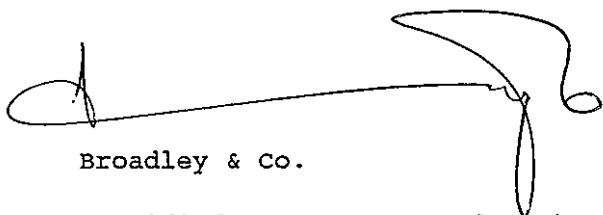
It is the intention of both the company and its director to regularise the matters concerning the assets and liabilities as soon as the outcome of the litigation is known.

Details of the circumstances relating to this Fundamental Uncertainty are described in Notes 8,9 and 13.

There may be additional taxation liabilities impacting on the company as a result of this uncertainty with regard to the company's assets and liabilities, and no provision over and above the normal Corporation Tax liability for the year has been made in this respect. Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 1994 and of its profit for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies".



Broadley & Co.

Certified Accountants and Registered Auditors  
Halifax, West Yorkshire  
Date: 18 June 1996

Beech House (Partington) Limited

ABBREVIATED BALANCE SHEET

AT 30 SEPTEMBER 1994

		<u>1994</u>	<u>1993</u>
	Note	£	£
FIXED ASSETS			
Intangible assets	2	18,732	18,732
Tangible assets	3	320,618	335,622
		<hr/>	<hr/>
		339,350	354,354
CURRENT ASSETS			
Stocks		388	500
Debtors	4	16,985	1,735
Cash at bank and in hand		8,185	-
		<hr/>	<hr/>
		25,558	2,235
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	5	112,041	88,378
		<hr/>	<hr/>
NET CURRENT LIABILITIES		(86,483)	(86,143)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		252,867	268,211
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	6	159,312	191,669
		<hr/>	<hr/>
		£93,555	£76,542
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	7	100	100
Profit and loss account		93,455	76,442
		<hr/>	<hr/>
		£93,555	£76,542
		<hr/>	<hr/>

Advantage has been taken of the exemptions conferred by Section A of Part III, Schedule 8 of the Companies Act 1985, as amended, on the grounds that the company is entitled to the benefits of those sections as a small company.

These financial statements were approved by the Board of Directors on 14 June 1996 and signed on its behalf by S P McDermott

.....S.P. McDermott.....

The notes on pages 4-to-8 form part of these accounts.

1 ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and comply in all material respects with applicable UK accounting standards.

Depreciation of tangible fixed assets

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

Freehold Land & Buildings	1.5% Reducing balance
Fixtures and Fittings	25% Reducing balance
Motor Vehicles	25% Reducing balance

Goodwill

Goodwill is included at its original cost, since in the opinion of the directors it has not diminished in value since the date of acquisition.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. In the case of finished goods and work in progress, cost comprises direct materials, direct labour and an appropriate proportion of manufacturing fixed and variable overheads.

Long term contract work in progress is stated at cost plus attributable profits less foreseeable losses and progress payments received and receivable.

Pension benefits

Pension benefits are funded over the employee's periods of service. The company's contributions are based on the most recent triennial actuarial valuation of the fund, provision being made for any unfunded obligations as a result of pension uplifts.

1 ACCOUNTING POLICIES (continued)

Deferred grants

Grants on capital expenditure are deducted from the cost of the relevant tangible fixed assets. Grants of a revenue nature are credited to income in the year to which they relate. Revenue grants received which relate to a future accounting year are carried forward as deferred income.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date (or where the transaction is covered by a matching forward contract at the rate specified in that contract). Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction and any differences are taken to the profit and loss account.

Leasing and hire purchase commitments

Tangible fixed assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their effective lives or in respect of finance leases, the term of the lease, if this is shorter. The finance element of the total obligations is charged to profit and loss account on a straight line basis due to its immaterial effect which is a departure from SSAP 21. Rentals paid under operating leases are charged to income as incurred.

Cash flow statement

The company qualifies as a small company under the Companies Act 1985. The directors have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

Beech House (Partington) Limited

NOTES TO THE ABBREVIATED ACCOUNTS (continued) - 30 SEPTEMBER 1994

2 INTANGIBLE FIXED ASSETS

	<u>Total</u>
	£
Cost or valuation	
at 1 October 1993	<u>18,732</u>
At 30 September 1994	<u>18,732</u>
Amortisation	
At 1 October 1993	-
Provision for the year	<u>-</u>
At 30 September 1994	<u>-</u>
Net book value	
At 30 September 1994	18,732
At 1 October 1993	<u>18,732</u>

A dispute currently exists with regard to the amount allegedly due in respect of the goodwill of a business acquired.



Beech House (Partington) Limited

NOTES TO THE ABBREVIATED ACCOUNTS (continued) - 30 SEPTEMBER 1994

3 TANGIBLE FIXED ASSETS

	<u>Total</u>
	£
Cost or valuation	
At 1 October 1993	365,318
Additions	5,214
Disposals	(11,842)
Adjustment on revaluation	—
	<hr/>
At 30 September 1994	358,690
Depreciation	
At 1 October 1993	29,696
Provision for the year	8,870
Written off on disposals	(494)
Adjustment on revaluation	—
	<hr/>
At 30 September 1994	38,072
Net book value	
At 30 September 1994	320,618
At 1 October 1993	335,622

Land and buildings at net book value comprise:

	1994	1993
	£	£
Freeholds	<u>307,402</u>	<u>312,083</u>

The legal ownership of the Land & Buildings are not in the name of the company, but in the name of the company's director, and in respect of one property, the company's director and another party. The Assets in question are the subject of a legal charge from the company's bankers.

4 DEBTORS

	1994	1993
	£	£
Debtors due after more than one year	<hr/>	<hr/>
	<hr/>	<hr/>

Beech House (Partington) Limited

NOTES TO THE ABBREVIATED ACCOUNTS (continued) - 30 SEPTEMBER 1994

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1994	1993
	£	£
Bank loans and overdrafts	27,604	28,660
Trade creditors	4,601	5,921
Other creditors	4,341	490
Taxation and social security	52,795	35,246
Accruals	<u>22,700</u>	<u>18,061</u>
	<u>112,041</u>	<u>88,378</u>

6 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1994	1993
	£	£
Bank Loan	<u>159,312</u>	<u>191,669</u>
	<u>159,312</u>	<u>191,669</u>

The above bank loans shown in Notes 5 & 6 are in the name of the company's director, and in respect of one loan, the company's director and another party. These loans and the company's other bank borrowings are secured against the freehold properties shown in Note 3.

7 SHARE CAPITAL

Authorised: 1000 Ordinary shares of 100 pence each

Issued: 100 Ordinary shares of 100 pence each fully paid

	1994	1993
	£	£
Ordinary shares	<u>100</u>	<u>100</u>