

LAWRAY LIMITED

Chartered Architects - Surveyors

COMPANY NO. - 2724178

ABBREVIATED FINANCIAL STATEMENTS

30 APRIL 1996

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Shepherd Hallett
Chartered Accountants
Summit House
9 - 10 Windsor Place
Cardiff CF1 3BX



A18 *AGA1HTKV* 326
COMPANIES HOUSE 27/02/97

**AUDITORS' REPORT TO THE DIRECTORS OF LAWRAY LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 6 together with the full financial statements of the company. The scope of our work for the purpose of this report was limited to confirming that the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Schedule 8 of that Act, and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the company is entitled to the exemptions as set out in the directors' statement on page 2 and the abbreviated accounts have been properly prepared in accordance under Section A of Schedule 8 Part III of the Companies Act 1985.

On 27/2/97 we reported to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 April 1996. Our report under Section 235 of the Companies Act 1985 was as follows:

AUDITOR'S REPORT TO THE SHAREHOLDERS OF LAWRAY LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As stated in Note 2 of The Notes To The Financial Statements 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

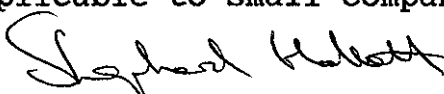
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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 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 company's affairs as at 30 April 1996 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

SUMMIT HOUSE
9 - 10 WINDSOR PLACE
CARDIFF CF1 3BX


**CHARTERED ACCOUNTANTS
& REGISTERED AUDITOR**

DATED:

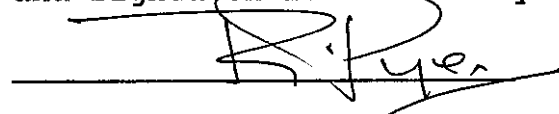
27/2/97

LAWRAY LIMITEDABBREVIATED BALANCE SHEET AS AT 30 APRIL 1996

	Notes	<u>1996</u> £	<u>1995</u> £
TANGIBLE FIXED ASSETS:	1 & 3	26,266	48,868
CURRENT ASSETS:			
Debtors & Work in progress	5.	203,194	263,034
Cash at bank		146,409	131,280
Client Account		88,859	-
		<u>438,462</u>	<u>394,314</u>
LESS :			
CREDITORS: Amounts falling due within one year:	6.	341,030	251,899
CURRENT ASSETS LESS CURRENT LIABILITIES		<u>97,432</u>	<u>142,415</u>
NET CURRENT ASSETS		123,698	191,283
CREDITORS: Amounts falling due after one year:	7.	25,000	60,000
		<u>£ 98,698</u>	<u>£ 131,283</u>
REPRESENTED BY:			
ORDINARY SHARE CAPITAL	10.	5,000	5,000
PREFERENCE SHARE CAPITAL	10.	86,777	100,000
PROFIT AND LOSS ACCOUNT		6,921	26,283
	9.	<u>£ 98,698</u>	<u>£ 131,283</u>

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that, in the opinion of the directors, the company is entitled to those exemptions as a small company.

The Financial Statements were approved by the board on 27/2/97 and signed on its behalf by.



DIRECTOR Raymond R.E.

The notes on page 3 to 6 form an integral part of these accounts.

LAWRAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 APRIL 1996

1. ACCOUNTING POLICIES:

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

DEPRECIATION

Depreciation is provided on all fixed assets at rates calculated to write off their cost evenly over their expected, useful lives as follows:

Motor vehicles	4 years
Fittings and equipment	4 years

TAXATION

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

FEES RECEIVABLE

Fees receivable represents the value of sales and is expressed net of Value Added Tax.

Both fees and the result for the year are attributable to the activities described on page 2.

2. DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DEBTORS	<u>1996</u> £	<u>1995</u> £
Practise items: Debtors	113,760	138,399
: Prepayments	6,593	5,544
Sundry debtor	-	750
Lawray Management Partnership	82,841	118,341
	<hr/> 203,194	<hr/> 263,034

LAWRAY LIMITEDNOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 APRIL 1996

6. CREDITORS: amounts falling due within one year:

	<u>1996</u> £	<u>1995</u> £
Trade & Expense Creditors	85,484	175,242
Corporation Tax	59,137	2,473
Taxes other than Corporation Tax	71,615	28,009
Bank Overdraft *	14,765	21,792
Client Account	88,859	-
Directors Loan Accounts: R. Pye	-	12,634
(Note 8) : R. Owen	-	11,749
: A. Hughes	21,170	-
	<u>341,030</u>	<u>251,899</u>

* The bank overdraft is secured by personal guarantees and personal assets of the directors. In addition the bank holds a charge over the company's debtors.

7. CREDITORS: amounts falling due after one year:

	<u>1996</u> £	<u>1995</u> £
Loan	25,000	60,000
	<u>25,000</u>	<u>60,000</u>

The loan is from an associated company owned by the majority shareholders.

8. DIRECTORS LOAN ACCOUNTS

	R. Pye	R. Owen	A. Hughes
Balance at 30-04-95	12,634	11,749	-
Deposited in period	-	-	21,170
Withdrawn in period	12,634	11,749	-
Balance at 30-04-96	<u>-</u>	<u>-</u>	<u>21,170</u>

LAWRAY LIMITEDNOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30 APRIL 1996**9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<u>1996</u> £	<u>1995</u> £
(Loss) / Profit for financial year	(19,362)	126,706
Redemption of preference shares	(13,223)	-
	<u>(32,585)</u>	<u>126,706</u>
Shareholders' funds brought forward (Originally 4,783 before adding prior year adjustment of 126,500)	131,283	4,577
Shareholders funds carried forward	£ <u>98,698</u>	£ <u>131,283</u>

Reserves

	P & L Account £	Preference Shares £	Total £
At beginning of year as previously stated	(100,217)	100,000	(217)
Prior year adjustment (Note 11)	126,500	-	126,500
At beginning of year as restated	<u>26,283</u>	<u>100,000</u>	<u>126,283</u>
Transfer from profit and loss account for year	(19,362)	-	(19,362)
Redemption of preference shares	-	(13,223)	(13,223)
At end of year	<u>6,921</u>	<u>86,777</u>	<u>93,698</u>

Note. Nominal share capital at end of year £5,000 (1995 £5,000)

10. SHARE CAPITAL

The authorised share capital is £1,000,000 ordinary shares divided into £1 shares, of which 5,000 are issued and fully paid and £1,000,000 redeemable preference shares divided into £1 shares of which 86,777 are issued and fully paid.

11. PRIOR YEAR ADJUSTMENT

The adjustment relates to management fees written back.