

Registrar

CHN ELECTRICAL SERVICES LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1996

Company Registration No. 2980221



CHN ELECTRICAL SERVICES LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 1996

CONTENTS

Page number

Auditors' report	1 – 2
Abbreviated balance sheet	3
Notes to the abbreviated financial statements	4 – 6

AUDITORS' REPORT

TO THE SHAREHOLDERS OF CHN ELECTRICAL SERVICES 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 CHN Electrical Services Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31 May 1996.

Respective responsibilities of directors and auditors

The directors are 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 directors' statement on page 3 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 3 of Schedule 8 to that Act in respect of the year ended 31 May 1996, and the abbreviated financial statements on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other information

On 15 November 1996 we reported, as auditors of CHN Electrical Services Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 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 page 8.

AUDITORS' REPORT - (Continued)

TO THE SHAREHOLDERS OF CHN ELECTRICAL SERVICES LIMITED

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

Respective responsibilities of directors and auditors

As described on page 2 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.

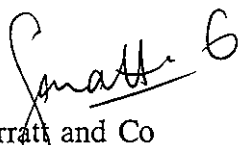
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 at 31 May 1996 and of its loss and cash flow statement for the year then ended and have been properly prepared in accordance with the Companies Act 1985".

15 November 1996


Garratt and Co
Registered Auditors
Chartered Accountants
Wednesfield

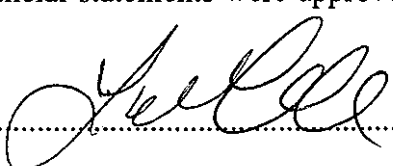
CHN ELECTRICAL SERVICES LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 MAY 1996

	<u>Note</u>	<u>£</u>	<u>1996</u> <u>£</u>	<u>£</u>	<u>1995</u> <u>£</u>
FIXED ASSETS					
Tangible assets	2		14,368		17,966
CURRENT ASSETS					
Stocks and work in progress		210,607		104,473	
Debtors		169,516		155,909	
Cash at bank and in hand		33		408	
		<u>380,156</u>		<u>260,790</u>	
CREDITORS – Amounts falling due within one year	3	(382,070)		(252,472)	
NET CURRENT (LIABILITIES)/ASSETS			<u>(1,914)</u>		<u>8,318</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			12,454		26,284
CREDITORS – Amounts falling due after more than one year	4		<u>(1,669)</u>		<u>(5,008)</u>
NET ASSETS			<u>£ 10,785</u>		<u>£ 21,276</u>
CAPITAL AND RESERVES					
Called up share capital	5		1,000		1,000
Profit and loss account	6		9,785		20,276
SHAREHOLDERS FUNDS			<u>£ 10,785</u>		<u>£ 21,276</u>

Advantage has been taken of the exemption for small companies conferred by section A Part 3 of the Companies Act 1985 on the grounds that, in the directors' opinion the company is entitled to benefit from those exemptions as a small company.

These financial statements were approved by the board on 15 November 1996.

I. L. Cole.  Director

CHN ELECTRICAL SERVICES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS - (1)

YEAR ENDED 31 MAY 1996

1. ACCOUNTING POLICIES

a) Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

b) Accounting convention

The financial statements are prepared under the historical cost convention.

c) Tangible fixed assets

Depreciation is calculated so as to write off the cost of tangible fixed assets over their estimated useful lives, as follows:

Fixtures and fittings	15% p.a. reducing balance
Plant and equipment	15% p.a. reducing balance
Motor vehicles	25% p.a. reducing balance

d) Stocks and work in progress

Stocks are valued on a 'first in, first out' basis at the lower of cost and net realisable value. In respect of work in progress cost includes direct materials and labour plus an attributable proportion of overhead expenses.

e) Deferred taxation

No provision has been made for deferred taxation arising from timing differences by reason of capital allowances exceeding depreciation, as, in the opinion of the directors, no material liability is likely to arise in the foreseeable future.

f) Operating leases

Operating lease rentals are charged to the profit and loss account in equal instalments over the life of the lease.

g) Hire purchase

Assets on hire purchase are capitalised and depreciated in the same way as owned assets. The amounts outstanding in respect thereof, are treated as creditors. The interest payments are charged to the profit and loss account over the life of the agreement.

CHN ELECTRICAL SERVICES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS – (2)

YEAR ENDED 31 MAY 1996

2. TANGIBLE FIXED ASSETS	Fixtures and fittings £	Plant and equipment £	Motor vehicles £	Total £
COST				
At 1 June 1995	2,380	5,200	12,520	20,100
Additions	205	–	–	205
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 1996	£ 2,585	£ 5,200	£ 12,520	£ 20,305
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 June 1995	179	390	1,565	2,134
Charge for the year	342	722	2,739	3,803
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 1996	£ 521	£ 1,112	£ 4,304	£ 5,937
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 May 1996	£ 2,064	£ 4,088	£ 8,216	£ 14,368
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 1995	£ 2,201	£ 4,810	£ 10,955	£ 17,966
	<hr/>	<hr/>	<hr/>	<hr/>

The net book value of tangible fixed assets includes an amount of £8,216 (1995 £10,955) in respect of assets held under hire purchase contracts.

3. CREDITORS – Amounts falling due within one year

These include:–	<u>1996</u>	<u>1995</u>
	£	£
Unsecured bank overdraft	11,108	–
Hire purchase instalments	3,339	3,339
	<hr/>	<hr/>
	£ 14,447	£ 3,339
	<hr/>	<hr/>

4. CREDITORS – Amounts falling due after more than one year

Amounts repayable within two to five years:–

Hire purchase instalments	£ 1,669	£ 5,008
	<hr/>	<hr/>

CHN ELECTRICAL SERVICES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS - (3)

YEAR ENDED 31 MAY 1996

5. CALLED UP SHARE CAPITAL	<u>1996</u> <u>£</u>	<u>1995</u> <u>£</u>
Authorised Ordinary shares of £1 each	£ 10,000 <u> </u>	£ 10,000 <u> </u>
Allotted, called up and fully paid Ordinary shares of £1 each	£ 1,000 <u> </u>	£ 1,000 <u> </u>
6. PROFIT AND LOSS ACCOUNT		
Balance at 1 June 1995	20,276	
Loss for the year	(10,491) <u> </u>	
Balance at 31 May 1996	£ 9,785 <u> </u>	

7. TRANSACTIONS WITH DIRECTORS

The company trades on normal commercial terms with a business in which three of the directors, I.L. Cole, R.M. Hopkins and R.G. Nicholls are partners.