

**DAVID FABB (HOLDINGS) LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31ST MARCH 1996**

**Registered number: 2561952**

**Hamiltons**



**DAVID FABB (HOLDINGS) LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**for the year ended 31st March 1996**

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**DAVID FABB (HOLDINGS) LIMITED****COMPANY INFORMATION****31st March 1996**

Incorporated in England on 23rd November 1990

Number 2561952

CHAIRMAN	D. L. Fabb
OTHER DIRECTORS	P. J. Bailey
SECRETARY	P. J. Bailey
REGISTERED OFFICE	Old Wharf Road Stourbridge West Midlands DY8 4LT
BANKERS	National Westminster Bank Plc 141 High Street Stourbridge West Midlands DY8 1DW
SOLICITORS	Wall, James & Davies 15-23 Hagley Road Stourbridge West Midlands DY8 1QW
AUDITORS	Hamiltons Meriden House 75 Market Street Stourbridge West Midlands DY8 1AQ

**DAVID FABB (HOLDINGS) LIMITED****DIRECTORS' REPORT****31st March 1996**

The directors present their report and the audited financial statements for the year ended 31st March 1996.

**Principal activity**

The principal activity of the company during the year was the hire of steel processing plant and machinery and the letting of industrial premises.

**Business review**

The company's balance sheet as detailed on page 7 shows a satisfactory position, shareholders' funds amounting to £4,060,219.

**Profit, dividends and appropriations**

The results for the year are shown in the profit and loss account on page 5. An ordinary dividend amounting to £2,000 was paid and the balance of the profit for the year is to be transferred to reserves.

**Fixed assets**

Changes in fixed assets during the year are set out in note 9 to the accounts. In the opinion of the directors there has been enhancement to the value of the company's property over the cost disclosed in the accounts.

**Directors**

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	31st March 1996 Ordinary shares	1st April 1995 Ordinary shares
D. L. Fabb	100	100
P. J. Bailey	-	-

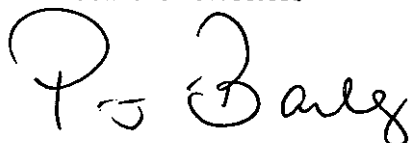
**Future developments**

The accounts reflect the very considerable investment being carried forward at "Servo Steel 2". During 1996 the company will commission the most modern wide coil steel pickling facility in the UK with capacity of 400,000 tonnes per annum. Associated processing equipment will expand the group's capability to some 15,000 tonnes per week. The directors have every confidence that following commissioning of the new facilities the group will be pre-eminent in the UK steel service centre industry".

**Auditors**

Messrs Hamiltons have expressed their willingness to continue as auditors, and a resolution for their re-appointment will be proposed at the forthcoming annual general meeting.

**Signed on behalf of  
the board of directors**



P. J. Bailey  
Secretary

25 June 1996

**DAVID FABB (HOLDINGS) LIMITED**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

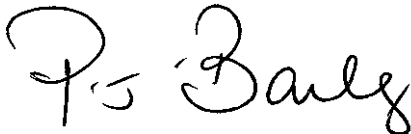
We are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements we are required to:

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

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

On behalf of the board

A handwritten signature in black ink, appearing to read 'P. J. Bailey', written in a cursive style.

P. J. Bailey  
Director

25 June 1996

**DAVID FABB (HOLDINGS) LIMITED****AUDITORS' REPORT****Auditors' report to the members of****David Fabb (Holdings) Limited**

We have examined the abbreviated accounts on pages 5 to 16 together with the full accounts of David Fabb (Holdings) Limited for the year ended 31st March 1996. 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 7 and that the abbreviated accounts have been properly prepared from the full accounts.

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts in respect of the year ended 31st March 1996 and the abbreviated accounts on pages 5 to 16 have been properly prepared in accordance with Schedule 8 to that Act.

On 25 June 1996 we reported, as auditors of David Fabb (Holdings) Limited, to the members on the full accounts prepared under Section 226 of the Companies Act 1985 for the year ended 31st March 1996 and our audit report was as follows:-

"We have audited the financial statements on pages 5 to 16 which have been prepared under the accounting policies set out on page 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 evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. 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 March 1996 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985".



Hamiltons  
Registered Auditors  
Meriden House  
75 Market Street  
Stourbridge  
West Midlands  
DY8 1AQ

25 June 1996

**DAVID FABB (HOLDINGS) LIMITED****PROFIT AND LOSS ACCOUNT****for the year ended 31st March 1996**

	Note	<u>1996</u> £	<u>1995</u> £
Gross profit		898,237	809,226
Net operating expenses			
Administrative expenses		(486,899)	(338,780)
Other operating income		-	577
Operating profit	2	411,338	471,023
Interest payable	3	(180,852)	(145,981)
Exceptional items	4	(130,000)	-
Profit on ordinary activities before taxation		100,486	325,042
Taxation	5	72,396	(25,084)
Profit on ordinary activities after taxation		172,882	299,958
Dividends - payable	7	(2,000)	(2,000)
- receivable	7	800,619	-
Retained profit for the year		971,501	297,958
Profit and loss brought forward		892,030	512,992
Transfer from revaluation reserve		59,189	81,080
Retained profit and loss carried forward		<u>1,922,720</u>	<u>892,030</u>

None of the company's activities were acquired or discontinued during the above two financial years.

**DAVID FABB (HOLDINGS) LIMITED****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****for the year ended 31st March 1996**

	<b><u>1996</u></b> £	<b><u>1995</u></b> £
Retained Profit for the Year	971,501	297,958
Transfer from Revaluation Reserve	<u>59,189</u>	<u>81,080</u>
<b>TOTAL RECOGNISED GAINS</b>	<b><u>1,030,690</u></b>	<b><u>379,038</u></b>

**Reconciliation of Movements in Shareholders Funds**

	<b><u>1996</u></b> £	<b><u>1995</u></b> £
Opening Shareholders Funds	3,088,718	2,790,760
Retained Profit for the Year	<u>971,501</u>	<u>297,958</u>
Closing Shareholders Funds	<b><u>4,060,219</u></b>	<b><u>3,088,718</u></b>

**Note of Historical Cost Profits & Losses**

	<b><u>1996</u></b> £	<b><u>1995</u></b> £
Reported Profit on Ordinary Activities Before Taxation	100,486	325,042
Difference Between the Historical Cost Depreciation Charge and the Actual Depreciation Charge for the Year Calculated on the Revalued Amount	<u>59,189</u>	<u>81,080</u>
Historical Cost Profit on Ordinary Activities Before Taxation	<b><u>159,675</u></b>	<b><u>406,122</u></b>
Historical Cost Profit Retained for Year	<b><u>1,030,693</u></b>	<b><u>379,038</u></b>

The notes on pages 9 to 16 form part of these accounts




**DAVID FABB (HOLDINGS) LIMITED****BALANCE SHEET****at 31st March 1996**

	Note	£	<u>1996</u>	£	£	<u>1995</u>	£
<b>Fixed assets</b>							
Tangible assets	8		9,737,449			9,047,685	
Investments	9		200			100	
			<u>9,737,649</u>			<u>9,047,785</u>	
<b>Current assets</b>							
Debtors	10	<u>133,341</u>			<u>143,796</u>		
Creditors: amounts falling due within one year	11	<u>(2,398,726)</u>			<u>(3,302,108)</u>		
Net current liabilities			<u>(2,265,385)</u>			<u>(3,158,312)</u>	
Total assets less current liabilities			7,472,264			5,889,473	
Creditors: amounts falling due after more than one year	12		<u>(3,412,045)</u>			<u>(2,800,755)</u>	
			<u>4,060,219</u>			<u>3,088,718</u>	
<b>Capital and reserves</b>							
Called up share capital	14		100			100	
Revaluation reserve	15		2,137,399			2,196,588	
Profit and loss account			1,922,720			892,030	
Total shareholders' funds			<u>4,060,219</u>			<u>3,088,718</u>	

The directors have taken advantage of the exemptions conferred by Section B of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a medium company.

The financial statements on pages 9 to 16 were approved by the board of directors.



D. L. Fabb  
Chairman

25 June 1996

**DAVID FABB (HOLDINGS) LIMITED****CASH FLOW STATEMENT****for the year ended 31st March 1996**

	<u>Note</u>	<u>1996</u>	<u>1995</u>
		£	£
<b>Net cash inflow from operating activities</b>	18	152,746	1,221,479
<b>Returns on investments and servicing of finance</b>			
Interest Received	-	-	577
Interest Paid	(310,852)	(310,852)	(145,981)
Dividends paid	(2,000)	(2,000)	(2,000)
Dividends received	800,619	800,619	-
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>		487,767	(147,404)
<b>Taxation</b>			
Corporation tax paid		(938)	(49,917)
<b>Investing activities</b>			
Receipt on Sales of Fixed Assets	38,428	38,428	116,227
Payments to Acquire Fixed Assets	(1,130,847)	(1,130,847)	(3,214,724)
Fixed asset Investment	(100)	(100)	-
<b>Net Cash Outflow from Investing Activities</b>		(1,092,519)	(3,098,497)
<b>Net cash (outflow)/inflow before financing</b>		(452,944)	(2,074,339)
<b>Financing</b>			
Receipts From Loan Advances	285,897	285,897	1,676,197
Hire Purchase Loan Advances	465,562	465,562	456,089
Hire Purchase Repayments	(250,517)	(250,517)	(182,280)
<b>Net cash inflow from financing</b>		500,942	1,950,006
<b>(Decrease)/Increase in Cash and Cash Equivalents</b>		47,998	(124,333)

The notes on pages 9 to 16 form part of these accounts

**DAVID FABB (HOLDINGS) LIMITED****NOTES ON ABBREVIATED FINANCIAL STATEMENTS****31st March 1996****1. Accounting policies****Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

**Basis of Consolidation**

The accounts represent the results of the company for the year ended 31 March 1996. Group accounts have not been prepared on the basis that the group qualifies under section 248(3) of the Companies Act 1985 as a medium sized group and therefore have elected not to consolidate the results.

**Depreciation**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Motor Vehicles	25%	Reducing Balance Basis
Plant and Equipment	10%	Reducing Balance Basis
Fixtures and fittings	15%	Reducing Balance Basis

No depreciation is provided on freehold property.

It is the company's policy to maintain the freehold buildings in good State of repair and accordingly the directors consider that it is inappropriate to provide for depreciation on these assets as required by statement of Standard Accounting Practice number 12.

**Leases and hire purchase contracts**

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

**Deferred taxation**

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

**DAVID FABB (HOLDINGS) LIMITED****NOTES ON ABBREVIATED FINANCIAL STATEMENTS****31st March 1996****2. Operating profit**

	<u>1996</u> £	<u>1995</u> £
Operating profit is stated after crediting		
Profit on sale of assets	<u>5,164</u>	<u>39,227</u>
and stated after charging :		
Auditors' remuneration	4,483	3,000
Depreciation of tangible fixed assets (note 9)	<u>407,820</u>	<u>335,141</u>

Included in depreciation above is depreciation provided on assets held under finance agreements: £86,559 (1995 - £54,447).

**3. Interest payable**

	<u>1996</u> £	<u>1995</u> £
Bank interest	11,790	7,928
Hire purchase interest	48,141	17,124
Loan interest	<u>120,921</u>	<u>120,929</u>
	<u>180,852</u>	<u>145,981</u>

**4. Exceptional Item**

	<u>1996</u> £	<u>1995</u> £
Loan interest on asset enhancement	<u>130,000</u>	<u>-</u>

**5. Taxation**

	<u>1996</u> £	<u>1995</u> £
Corporation Tax at 25% (1995 - 33%)	(50,000)	23,758
(Over)/Under provision in earlier years	<u>(22,396)</u>	<u>1,326</u>
	<u>(72,396)</u>	<u>25,084</u>

**DAVID FABB (HOLDINGS) LIMITED****NOTES ON ABBREVIATED FINANCIAL STATEMENTS****31st March 1996****6. Directors**Directors emoluments (including amounts paid  
by subsidiaries):

	<u>1996</u> £	<u>1995</u> £
Fees and Salaries	126,969	115,684
Pension Contributions	-	500
	<u>126,969</u>	<u>116,184</u>

Emoluments excluding pension contributions:

Highest Paid Director	<u>90,000</u>	<u>90,000</u>
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Number of other directors whose emoluments  
fell within the bands stated:

	<u>1996</u> Number of Directors	<u>1995</u> Number of Directors
£25,001 - £30,000	<u>1</u>	<u>1</u>

**7. Dividends Payable**

	<u>1996</u> £	<u>1995</u> £
Interim Ordinary Dividend Paid of £20 (1995 - £20) per share	<u>2,000</u>	<u>2,000</u>

**Dividends Receivable**

Final dividend from Daimic Limited	<u>800,619</u>	<u>-</u>
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**8. Tangible fixed assets**

	<b>Motor Vehicles</b> £	<b>Plant and Machinery</b> £	<b>Fixtures and Fittings</b> £	<b>Land and Buildings</b> £	<b>Total</b> £
<b>Cost or valuation</b>					
1st April 1995	109,162	4,085,410	65,218	5,487,626	9,747,416
Additions	6,650	1,078,045	4,110	42,042	1,130,847
Disposals	-	(36,960)	-	-	(36,960)
31st March 1996	<u>115,812</u>	<u>5,126,495</u>	<u>69,328</u>	<u>5,529,668</u>	<u>10,841,303</u>
<b>Depreciation</b>					
1st April 1995	49,826	626,038	23,866	-	699,730
Charge for year	16,497	384,504	6,819	-	407,820
Disposals	-	(3,696)	-	-	(3,696)
31st March 1996	<u>66,323</u>	<u>1,006,846</u>	<u>30,685</u>	<u>-</u>	<u>1,103,854</u>
<b>Net book amount</b>					
31st March 1996	<u>49,489</u>	<u>4,119,649</u>	<u>38,643</u>	<u>5,529,668</u>	<u>9,737,449</u>
1st April 1995	<u>59,336</u>	<u>3,459,372</u>	<u>41,352</u>	<u>5,487,625</u>	<u>9,047,685</u>

**DAVID FABB (HOLDINGS) LIMITED****NOTES ON ABBREVIATED FINANCIAL STATEMENTS****31st March 1996****8. Fixed Assets - Continued...**

- a) The land and buildings situated at Old Wharf Road, Stourbridge, were revalued on 6th March 1992 by Chesterton International Property Consultants at an existing use valuation of three million pounds.

The cost of the Freehold Property at 31st March 1996 was £4,062,798 (1995 : £4,020,756)

The land and buildings situated at High Street, Pensnett have a cost of £1,950,000, this property valuation has been enhanced by the approval of planning permission and therefore the directors consider a reasonable open market value of the property to be £2,800,000.

b) Plant and Machinery	<u>1996</u> £	<u>1995</u> £
Existing use Valuation at 4 June 1993	2,696,450	2,696,450
At Cost	<u>2,430,045</u>	<u>1,388,960</u>
	<u>5,126,495</u>	<u>4,085,410</u>
c) Assets Held Under Finance Agreements	<u>1996</u> £	<u>1995</u> £
Net Book Value of Assets Held Under Finance Agreements	<u>727,270</u>	<u>399,053</u>

**9. Investments**

The investments in the unlisted subsidiary companies are valued at cost.

<u>Name of Subsidiary Company</u>	<u>Holdings</u>	<u>Proportion Held</u>
Daimic Limited	Ordinary Shares	100%
Servosteel Limited	Ordinary Shares	100%
Esk Steel Strip Limited	Ordinary Shares	100%

All of the subsidiary companies were incorporated in England and Wales.

The following extracts are taken from the subsidiary companies accounts for the year ended 31st March 1996:

	<u>Esk Steel</u> <u>Strip Limited</u> £	<u>Daimic</u> <u>Limited</u> £	<u>Servosteel</u> <u>Limited</u> £
Aggregate Capital and Reserves	<u>26,653</u>	<u>200</u>	<u>1,314,725</u>
Retained Profit for the Year	<u>26,553</u>	<u>-</u>	<u>204,926</u>

Daimic Limited has not traded throughout the year. The following extracts relate to the group of companies as a whole:

	<u>1996</u> £
Profit on Ordinary Activities Before Taxation	<u>294,409</u>
Retained Profits for the Year	<u>402,361</u>
Profit and Loss Balance Carried Forward	<u>3,264,098</u>

**DAVID FABB (HOLDINGS) LIMITED****NOTES ON ABBREVIATED FINANCIAL STATEMENTS****31st March 1996****10. Debtors**

	<u>1996</u>	<u>1995</u>
	£	£
<b>Amounts falling due within one year</b>		
Trade debtors	74,039	136,516
Prepayments	9,302	7,280
Corporation tax refund	50,000	-
	<u>133,341</u>	<u>143,796</u>

**11. CREDITORS: amounts falling due within one year**

	<u>1996</u>	<u>1995</u>
	£	£
Bank loans	89,403	261,045
Bank overdraft	83,991	131,989
Trade creditors	1,421	38,428
Amounts owed to group undertakings	1,905,883	2,433,350
Corporation tax	-	23,334
Other taxation and social security	3,622	155,528
Other creditors	100,000	120,000
Accruals and deferred income	34,033	18,906
Obligations under finance agreements	180,373	119,528
	<u>2,398,726</u>	<u>3,302,108</u>

The bank overdraft advanced by National Westminster Bank Plc is secured by:

- Fixed and floating charge over company assets.
- Composite guarantee given by David Fabb (Holdings) Limited, Daimic Limited and Servosteel Limited to secure all liabilities of each other.

The bank loans are secured as in Note 13.

**12. Creditors: amounts falling due after more than one year**

	<u>1996</u>	<u>1995</u>
	£	£
Loans repayable wholly or in part within five years	2,982,239	2,525,152
Amount due under Finance Agreements	429,806	275,603
	<u>3,412,045</u>	<u>2,800,755</u>

All amounts due under finance agreements are due within five years.

**DAVID FABB (HOLDINGS) LIMITED****NOTES ON ABBREVIATED FINANCIAL STATEMENTS****31st March 1996****12. Creditors: amounts falling due after more than one year (Continued...)**

The bank loan of £1,056,042 (1995 : £1,110,00) is advanced by UCB Bank Plc and is secured by a first fixed charge over the company's property at Old Wharf Road, Stourbridge. The loan carries interest at 2.25% over finance house base rate and is for a period of fifteen years from 22 July 1992. Monthly capital repayments of £7,708 commenced on 22 July 1995.

The bank loan of £1,400,000 (1995 : £1,150,000) is advanced by National Westminster Bank Plc and is secured by a first fixed charge over the company's property at High Street, Pensnett. The loan carries interest at 2.25% over bank base rate and is for a period of seven years. Four quarterly capital repayments of £41,072 commence in April 1995 and are followed by monthly capital repayments of £13,691.

The bank loan of £526,197 (1995 : £526,197) is advanced by National Westminster Bank Plc, and is guaranteed by Export-Import Bank of the United States. The loan carries interest at 0.5% above LIBOR and is repayable by ten semi-annual instalments commencing January 1995.

	<u>1996</u> £	<u>1995</u> £
<b>Bank Loans Due:</b>		
Between Two and Five Years	1,283,920	1,395,506
After More Than Five Years	<u>2,128,125</u>	<u>1,129,646</u>
	<u>3,412,045</u>	<u>2,525,152</u>

**13. Deferred taxation**

	Full Provision <u>1996</u> £	1995 £	Accounts Provision <u>1996</u> £	1995 £
Accelerated Capital Allowances	574,760	515,125	-	-
Surplus on Revaluation	<u>571,535</u>	<u>610,137</u>	-	-
	<u>1,146,295</u>	<u>1,125,262</u>	<u>-</u>	<u>-</u>

**14. Called up share capital**

	<u>1996</u> £	<u>1995</u> £
<b>Authorised</b>		
1,000 Ordinary Shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted</b>		
100 Ordinary Shares of £1 each, Fully Paid	<u>100</u>	<u>100</u>

**15. Revaluation reserve**

	<u>1996</u> £	<u>1995</u> £
At 1st April 1995	2,196,588	2,277,668
Transfer to Profit and Loss Account	<u>(59,189)</u>	<u>(81,080)</u>
At 31 March 1996	<u>2,137,399</u>	<u>2,196,588</u>



**DAVID FABB (HOLDINGS) LIMITED****NOTES ON FINANCIAL STATEMENTS****31st March 1996****15. Revaluation reserve (Continued...)**

The revaluation reserve represents the surpluses which have arisen on the revaluation of freehold property and plant and machinery. The amount transferred to the profit and loss account represents that part of the depreciation charge for the year on plant and machinery which is attributable to the revaluation

	<u>Freehold Property</u> £	<u>Plant &amp; Machinery</u> £	<u>Total</u> £
At 1st April 1995	1,466,870	729,718	2,196,588
Transfer to Profit and Loss Account	-	(59,189)	(59,189)
At 31 March 1996	<u>1,466,870</u>	<u>670,529</u>	<u>2,137,399</u>

**16. Commitments**

The company has contracted for capital commitments amounting in total to £2,360,000 (1995 : £1,229,392). The company has authorised but not contracted for capital commitments amounting in total to £180,000 (1995 : £200,000).

**17. Contingent Liabilities**

The company has given a guarantee to UCB Invoice Discounting Ltd in respect of amounts advanced to Servosteel Limited.

**18. Notes to the cash flow statement****Reconciliation of operating profit to  
net cash inflow from operating activities**

	<u>1996</u> £	<u>1995</u> £
Operating profit	411,338	470,446
Depreciation charges	407,820	335,141
(Profit) on sale of fixed assets	(5,164)	(39,227)
Decrease/(increase) in debtors	60,455	(143,796)
(Decrease)/Increase in creditors	(721,703)	598,915
Net cash inflow from operating activities	<u>152,746</u>	<u>1,221,479</u>

**Analysis of changes in cash and cash  
equivalents as shown in the balance sheet**

Balance at 1st April 1995	(131,989)	(7,656)
Net cash inflow/(outflow)	<u>47,998</u>	<u>(124,333)</u>
Balance at 31st March 1996	<u>(83,991)</u>	<u>(131,989)</u>

**Analysis of the balances of cash and cash  
equivalents as shown in the balance sheet**

	<u>1996</u> £	<u>1995</u> £	<u>Change in year</u> £
Bank overdrafts	<u>(83,991)</u>	<u>(131,989)</u>	<u>47,998</u>

**DAVID FABB (HOLDINGS) LIMITED****NOTES ON ABBREVIATED FINANCIAL STATEMENTS****31st March 1996****19. Transactions with Group Companies**

During the year David Fabb (Holdings) Limited traded on a normal commercial basis with its wholly owned subsidiary company, Servosteel Limited as follows:-

	<b><u>1996</u></b> £
Rents received	350,000
Hire of machinery	477,000
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Included in sales	827,000
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