

W.G. WATTS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1996



**AUDITOR'S REPORT TO W.G. WATTS LIMITED PURSUANT TO PARAGRAPH 24 OF  
SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 3 to 6 together with the accounts of W.G. Watts Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st March 1996.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts 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 accounts 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 accounts, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those accounts. 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 accounts.

**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 III of Schedule 8 to that Act, in respect of the year ended 31st March 1996, and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

**Other information**

On 28th November 1996 we reported, as auditors of W.G. WATTS LIMITED, to the members on the 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 accounts on pages 4 to 11.

**Respective responsibilities of directors and auditors**

As described in the directors' report the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

AUDITOR'S REPORT TO W.G. WATTS LIMITED PURSUANT TO PARAGRAPH 24 OF  
SCHEDULE 8 TO THE COMPANIES ACT 1985 - CONTINUED

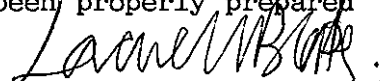
**Basis of opinion**

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st March 1996 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
LOVEWELL BLAKE

Havenbridge House  
North Quay, Great Yarmouth  
28th November 1996

REGISTERED AUDITOR  
Chartered Accountants

W.G. WATTS LIMITED

ABBREVIATED BALANCE SHEET

31ST MARCH 1996

	Notes	1996 £	1995 £
<b>FIXED ASSETS</b>			
Intangible assets	3	24,000	27,000
Tangible assets	4	289,792	252,735
Investments		50	50
		<u>313,842</u>	<u>279,785</u>
<b>CURRENT ASSETS</b>			
Valuation		90,908	49,286
Debtors due within one year		55,212	33,256
Cash at bank and in hand		446	171
		<u>146,566</u>	<u>82,713</u>
CREDITORS: Amounts falling due within one year	5	(148,380)	(169,148)
NET CURRENT LIABILITIES		<u>(1,814)</u>	<u>(86,435)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		312,028	193,350
CREDITORS: Amounts falling due after more than one year	6	(12,760)	-
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(18,816)</u>	<u>(16,672)</u>
		<u>280,452</u>	<u>176,678</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	7	10,000	10,000
Other reserves		10,000	10,000
Profit and loss account		260,452	156,678
		<u>280,452</u>	<u>176,678</u>

In preparing these abbreviated accounts, the directors have taken advantage of the exemptions conferred by Section A Part III of Schedule 8 of the Companies Act 1985, and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

Approved by the board on: 28th November 1996

T.W. WATTS *T.W. Watts* )  
 D.J. WATTS *D.J. Watts* )  
 Directors

The notes set out on pages 4 to 6 form an integral part of these accounts

**W.G. WATTS LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS**

**AT 31ST MARCH 1996**

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**1 ACCOUNTING POLICIES**

**(a) Basis of accounting**

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

**(b) Depreciation**

Depreciation is calculated to write off the cost, less estimated residual values, of tangible fixed assets (excluding investment properties) over their estimated useful lives to the business. The annual depreciation rates and methods are as follows:

Implements and plant	15% and 10% straight line
Vehicles	20% straight line
Computer equipment	15% straight line

The cost or valuation, less estimated residual value, of intangible fixed assets is amortised over their estimated useful lives to the business. The rates and methods used are as follows:

Goodwill	Written off over a period of 10 years
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**(c) Valuation and stocks**

Farming stock is stated at the lower of cost and net realisable value in accordance with methods recognised by the Inland Revenue.

**(d) Hire purchase and leasing**

Assets held under hire purchase and finance leases are capitalised and depreciated and the resultant obligations are included in creditors. Operating lease rentals are charged to the profit and loss account over the period of the lease.

**(e) Deferred taxation**

Provision is made for deferred taxation except where, in the opinion of the directors, it is not likely to be payable in the foreseeable future.

**(f) Arable area aid and Set-aside**

Grants received are recognised in the profit and loss account in the period when sales take place of the crops to which they relate.

**2 COMPARATIVE FIGURES**

Last year the company took advantage of the exemption from audit conferred by Sections 249A to 249E of the Companies Act 1985. Accordingly, the comparative figures are unaudited.

W.G. WATTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

AT 31ST MARCH 1996

3 INTANGIBLE FIXED ASSETS

	Goodwill £
<b>COST</b>	
At 1st April 1995	30,000
At 31st March 1996	<u>30,000</u>
<b>AMORTISATION</b>	
At 1st April 1995	3,000
Charge for the year	3,000
At 31st March 1996	<u>6,000</u>
<b>NET BOOK VALUE</b>	
At 31st March 1996	<u>24,000</u>
At 31st March 1995	<u>27,000</u>

4 TANGIBLE FIXED ASSETS

	Farm land, buildings and drainage £	Implements and plant £	Vehicles £	Computer equipment £	Total £
<b>COST</b>					
At 1st April 1995	152,709	262,780	34,165	2,995	452,649
Additions at cost	5,271	68,764	-	-	74,035
Applicable to disposals	-	(8,625)	-	-	(8,625)
At 31st March 1996	<u>157,980</u>	<u>322,919</u>	<u>34,165</u>	<u>2,995</u>	<u>518,059</u>
<b>DEPRECIATION</b>					
At 1st April 1995	-	181,835	16,732	1,347	199,914
Charge for the year	-	29,846	5,833	449	36,128
Released by disposals	-	(7,775)	-	-	(7,775)
At 31st March 1996	<u>-</u>	<u>203,906</u>	<u>22,565</u>	<u>1,796</u>	<u>228,267</u>
<b>NET BOOK VALUE</b>					
At 31st March 1996	<u>157,980</u>	<u>119,013</u>	<u>11,600</u>	<u>1,199</u>	<u>289,792</u>
At 31st March 1995	<u>152,709</u>	<u>80,945</u>	<u>17,433</u>	<u>1,648</u>	<u>252,735</u>

Details of fixed assets held under finance leases and hire purchase contracts, which are included in the relevant headings in the table above, are as follows:

	1996 £	1995 £
Net book value at 31st March 1996	<u>52,573</u>	<u>28,900</u>
Depreciation charge for the year	<u>10,177</u>	<u>5,100</u>

W.G. WATTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

AT 31ST MARCH 1996

5	CREDITORS: Amounts falling due within one year			1996 £	1995 £
	The following secured amounts fall due within one year:				
	Finance lease and hire purchase contracts:				
	secured on the assets concerned			<u>19,332</u>	<u>16,697</u>
6	CREDITORS: Amounts falling due after more than one year			1996 £	1995 £
	Net obligations under finance leases and hire purchase contracts			<u>12,760</u>	<u>-</u>
				1996 £	1995 £
	Finance lease and hire purchase contracts				
	One to five years			<u>12,760</u>	<u>-</u>
				1996 £	1995 £
	Secured creditors included above are as follows:				
	Finance lease and hire purchase contracts:				
	secured on the assets concerned			<u>12,760</u>	<u>-</u>
7	SHARE CAPITAL	Number	Value	Number	Value
		1996	1996	1995	1995
	Authorised:		£		£
	Ordinary shares				
	of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
	Issued and fully paid:				
	Ordinary shares				
	of each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>