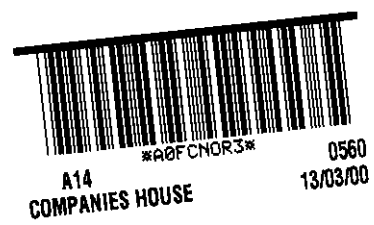


BUSINESS SERVICE & SUPPLIES (LANCASTER) LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31ST OCTOBER 1999



AUDITORS' REPORT TO BUSINESS SERVICE & SUPPLIES (LANCASTER) LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5 together with the accounts of Business Service & Supplies (Lancaster) Limited for the year ended 31st October 1999 prepared under section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We have carried out procedures we considered necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Scott & Wilkinson
Dalton House
9 Dalton Square
Lancaster
LA1 1WD



Chartered Accountants and Registered Auditors

Date: 16th March, 2000

BUSINESS SERVICE & SUPPLIES (LANCASTER) LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31ST OCTOBER 1999

	Notes	1999	1998
		£	£
Fixed Assets	2		
Tangible fixed assets		58,940	50,021
Fixed asset investments		450	450
		<u>59,390</u>	<u>50,471</u>
Current Assets			
Stock and work in progress		28,492	23,649
Debtors		87,862	97,170
Cash at bank and in hand		13	9
		<u>116,367</u>	<u>120,828</u>
Creditors: Amounts Falling Due Within One Year		<u>130,410</u>	<u>130,105</u>
Net Current Liabilities		(14,043)	(9,277)
Total Assets Less Current Liabilities		<u>45,347</u>	<u>41,194</u>
Creditors: Amounts Falling Due After More Than One Year		17,159	10,953
Provisions for Liabilities and Charges			
Deferred taxation		1,714	2,029
		<u>26,474</u>	<u>28,212</u>
Capital and Reserves			
Share capital	3	2,050	2,050
Profit and loss account		24,424	26,162
Shareholders' Funds		<u>26,474</u>	<u>28,212</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board :



D.R. Hollingdrake Esq.

Director

Date: 10th March, 2000

The notes on pages 3 to 5 form part of these accounts.

BUSINESS SERVICE & SUPPLIES (LANCASTER) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1999

1 Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by reducing balance method over their expected useful lives. The rates and periods generally applicable are:

Freehold Properties	- 2% Straight Line (on Buildings only)
Motor Vehicles	- 25% Reducing Balance
Fixtures and Fittings	- 10% Reducing Balance
Computer Equipment	- 25% Straight Line

Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advanced corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

BUSINESS SERVICE & SUPPLIES (LANCASTER) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1999

2 Fixed Assets

	Tangible Fixed Assets	Fixed Asset Investments
	£	£
Cost		
At 1st November 1998	66,742	450
Additions	34,993	-
Disposals	(20,921)	-
At 31st October 1999	80,814	450
Depreciation and Amortisation		
At 1st November 1998	16,721	-
Charge for the year	11,157	-
On disposals	(6,004)	-
At 31st October 1999	21,874	-
Net Book Value		
At 31st October 1999	58,940	450
<i>At 31st October 1998</i>	<i>50,021</i>	<i>450</i>

3 Share Capital

	1999	1998
	£	£
Authorised Equity Shares		
3,000 Ordinary shares of £1.00 each	3,000	3,000
	3,000	3,000
Allotted Equity Shares		
2,050 Allotted, called up and fully paid ordinary shares of £1.00 each	2,050	2,050

4 Exceptional Items

	1999	1998
	£	£
Profit on sale of fixed assets	4,249	-
	4,249	-

BUSINESS SERVICE & SUPPLIES (LANCASTER) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1999

5 Transactions with Directors

During the year the company provided a loan to D.R. Hollingdrake Esq., a director. The outstanding amounts were as follows: beginning of year - £2,302; end of year - £1,143; maximum during the year - £2,302.

Aggregate cash introduced was £2,010 (1998 - £346), aggregate withdrawals were £851 (1998 - £368)(average transaction £378 (1998 - £238)).