

REPORT OF THE AUDITORS TO THE DIRECTORS OF

PAUL FAIRWEATHER AND COMPANY LIMITED

COMPANY REGISTRATION NUMBER 863081

UNDER PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 5 together with the full financial statements of Paul Fairweather and Company Limited for the year ended 31st December 1994.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The abbreviated accounts are the responsibility of the directors. Our responsibility is to report to you as to whether the company is entitled to the exemptions claimed by the directors and whether the abbreviated accounts have been properly prepared from the full financial statements.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. The audit of abbreviated accounts consists of an assessment of whether the company satisfies the criteria necessary to take advantage of the exemptions available under the Companies Act. It also includes an assessment of whether they have been properly prepared in accordance with the relevant provisions of that Act.

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 December 1994 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

On 25th September 1995 we reported, as auditors of Paul Fairweather and Company Limited, to the shareholders on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st December 1994 and our audit report was as follows :-

"We have audited the financial statements on pages 3 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 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.

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REPORT OF THE AUDITORS TO THE DIRECTORS OF

PAUL FAIRWEATHER AND COMPANY LIMITED

COMPANY REGISTRATION NUMBER 863081

UNDER 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 disclosure 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 31st December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."



Chartered Accountants
and Registered Auditors

Date: 25th September 1995

PAUL FAIRWEATHER AND COMPANY LIMITED

ABBREVIATED BALANCE SHEET AS AT 31ST DECEMBER 1994

| | | 1994 | | 1993 | |
|--|------|----------------|-----------------|----------------|-----------------|
| | Note | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 2 | | 23,539 | | 32,448 |
| Investments | 3 | | 2,477 | | 2,477 |
| | | | <u>26,016</u> | | <u>34,925</u> |
| CURRENT ASSETS | | | | | |
| Debtors | | 318,701 | | 268,435 | |
| Cash at bank and in hand | | 221,685 | | 231,127 | |
| | | <u>540,386</u> | | <u>499,562</u> | |
| CREDITORS: Amounts falling due within one year | | (342,155) | | (311,773) | |
| Net Current Assets | | | <u>198,231</u> | | <u>187,789</u> |
| Net Assets | | | <u>£224,247</u> | | <u>£222,714</u> |
| CAPITAL AND RESERVES | | | | | |
| | | | £ | | £ |
| Called Up Share Capital | 4 | | 120 | | 120 |
| Share Premium Account | | | 7,980 | | 7,980 |
| Profit and Loss Account | | | <u>216,147</u> | | <u>214,614</u> |
| Shareholders' funds | | | <u>£224,247</u> | | <u>£222,714</u> |

Advantage is taken of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985. In the directors' opinion, the company is entitled to those exemptions having met the qualifications for a small company specified in sections 246 and 247 of the Companies Act 1985.

Date approved by the Board: 20th September 1995

P. M. Fairweather
Director

PAUL FAIRWEATHER AND COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1994

1.ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards.

ACCOUNTING CONVENTION.

The financial statements have been prepared under the historical cost convention.

TURNOVER.

The turnover shown in the Profit and Loss Account represents sales and services made by the Company during the year, net of value added tax.

DEPRECIATION.

Depreciation is provided in order to reduce the assets to their saleable value over their estimated useful life. The rates applied are:

| | |
|------------------|---|
| Office Equipment | 15% on written down value and 20% on cost |
| Motor vehicles | 20% and 25% on written down value |

2.FIXED TANGIBLE ASSETS.

| | £ |
|----------------------------|----------------|
| COST: | |
| Balance 1st January 1994 | 137,691 |
| Additions | 588 |
| Disposals | (9,859) |
| Balance 31st December 1994 | <u>128,420</u> |
| DEPRECIATION: | |
| Balance 1st January 1994 | 105,243 |
| Eliminated on disposals | (7,297) |
| Charge for the year | 6,935 |
| Balance 31st December 1994 | <u>104,881</u> |
| NET BOOK VALUE: | |
| At 31st December 1994 | <u>£23,539</u> |
| At 31st December 1993 | <u>£32,448</u> |

PAUL FAIRWEATHER AND COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1994

3. INVESTMENTS.

Investments listed on a recognised stock exchange

| | |
|--|---------------|
| Cost at 1st January 1994 and at 31st December 1994 | <u>£2,477</u> |
|--|---------------|

| | |
|------------------------------------|---------------|
| Market value of quoted investments | <u>£1,186</u> |
|------------------------------------|---------------|

4. SHARE CAPITAL.

| | 1994 | 1993 |
|-----------------------------------|-------------|-------------|
| AUTHORISED SHARE CAPITAL: | | |
| 200 Ordinary shares of £1.00 each | <u>£200</u> | <u>£200</u> |
| | | |
| | 1994 | 1993 |
| ALLOTTED, ISSUED AND FULLY PAID: | | |
| 120 Ordinary shares of £1.00 each | <u>£120</u> | <u>£120</u> |