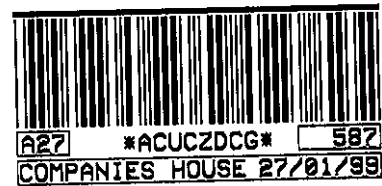


JBJ PALLETS LIMITED

ABBREVIATED ACCOUNTS

For the year ended 5 April 1998



**AUDITORS' REPORT TO****JBJ PALLETS LIMITED****PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 3 to 5 together with the financial statements of JBJ Pallets Limited prepared under Section 226 of the Companies Act 1985 for the year ended 5 April 1998.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing 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 the procedures we consider necessary to confirm, by reference to the financial statements, 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 financial statements.

**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 3 to 5 are properly prepared in accordance with those provisions.

**Other Information**

On \_\_\_\_\_ we reported, as auditors of JBJ Pallets Limited to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 5 April 1998 and our audit report was as follows:

We report on the financial statements on pages 3 to 7 which have been prepared following 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.

**AUDITORS' REPORT TO****JBJ PALLETS LIMITED****PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985****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.

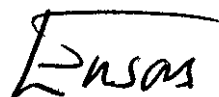
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited because we were unable to carry out auditing procedures necessary to obtain adequate assurance regarding the quantities and condition of the opening stock at 6 April 1997, amounting to £44,705 and shown as a comparative on the balance sheet. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Qualified Opinion arising from limitation in audit scope**

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning opening stock, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 5 April 1998 and of its profit for the year ended and have been properly prepared in accordance with the Companies Act 1985.

In respect alone of the limitation on our work relating to stock:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we are unable to determine whether proper accounting records had been maintained.



Ensors  
Chartered Accountants  
Registered Auditor  
Haverhill

20<sup>th</sup> January 1999

**ABBREVIATED BALANCE SHEET**

**At 5 April 1998**

	<u>Note</u>		<u>1998</u>	<u>1997</u>
<b><u>FIXED ASSETS</u></b>		£	£	£
Tangible Assets	2		190,530	198,029
<b><u>CURRENT ASSETS</u></b>				
Stocks		40,596		44,705
Debtors		195,965		192,047
Cash at Bank and in Hand		107,055		54,875
		-----		-----
		343,616		291,627
		-----		-----
<b><u>CREDITORS:</u></b> Amounts falling due within one year		103,814		96,883
		-----		-----
<b><u>NET CURRENT ASSETS</u></b>			239,802	194,744
			-----	-----
<b><u>TOTAL ASSETS LESS CURRENT LIABILITIES</u></b>			430,332	392,773
<b><u>PROVISIONS FOR LIABILITIES AND CHARGES</u></b>				
Deferred Taxation			8,575	9,355
			-----	-----
			421,757	383,418
			=====	=====
<b><u>CAPITAL AND RESERVES</u></b>				
Called Up Share Capital	3		5,000	5,000
Profit and Loss Account			416,757	378,418
			-----	-----
<b><u>SHAREHOLDERS FUNDS</u></b>			421,757	383,418
			=====	=====

In preparing these abbreviated financial statements:

- We have relied upon the exemptions for individual accounts conferred by Section A Part 3 of Schedule 8 of the Companies Act 1985; and
- We have done so on the grounds that the company is entitled to the benefit of these exemptions as a small company.

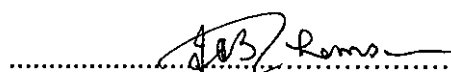
The abbreviated accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Approved by the board on *20<sup>th</sup> January* 1999  
and signed on its behalf by



B C Thomson

Directors



Mrs J A B Thomson

**JBJ PALLETS LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS****For the year ended 5 April 1998****1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable accounting standards on the historical cost basis.

**Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is calculated using the first-in-first-out method and consists of material and direct labour costs, together with an appropriate proportion of production overheads.

**Depreciation**

Depreciation is calculated to write off cost less estimated residual value of fixed assets, except freehold land, over their estimated useful lives as follows:

Buildings and Property Improvements -	are not depreciated as in the opinion of the directors their residual value will not be lower than cost
Plant and Machinery	- 25% on written down value
Motor Vehicles	- 25% on written down value

**Deferred Taxation**

Deferred taxation is provided on the liability method on all liabilities which are expected to crystallise in the future, at the rate of tax expected to apply on reversal of the timing differences.

**Cashflow Statement**

The company has taken advantage of the exemption conferred by Financial Reporting Standard No.1 and has not prepared a cashflow statement on the grounds that it qualifies as a small company.

**Turnover**

Turnover represents the invoiced amount of goods and services provided, stated net of value added tax. All turnover is attributed to the main activity and is achieved within the United Kingdom.

**JBJ PALLETS LIMITED****NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)****For the year ended 5 April 1998****2. TANGIBLE FIXED ASSETS**

	<b><u>Total</u></b>
	<b>£</b>
Cost:	
At 6 April 1997	305,568
Additions	7,680
	-----
At 5 April 1998	313,248
	-----
Depreciation:	
At 6 April 1997	107,539
Charge for the year	15,179
	-----
At 5 April 1998	122,718
	-----
Net Book Value:	
At 5 April 1998	190,530
	=====
At 5 April 1997	198,029
	=====

**3. CALLED UP SHARE CAPITAL**

	<b><u>Authorised</u></b> <b><u>1998 and 1997</u></b>	<b><u>Allotted,</u></b> <b><u>called up</u></b> <b><u>and fully paid</u></b> <b><u>1998 and 1997</u></b>
	<b><u>No.</u></b>	<b><u>£</u></b>
Ordinary Shares of £1 each	5,000	5,000
	=====	=====