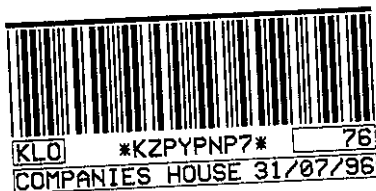


LEWIS TYLER AND SONS (FENCING) LIMITED

31ST DECEMBER 1995

COMPANY NUMBER: 1238308

ANNUAL REPORT AND FINANCIAL STATEMENTS



LEWIS TYLER AND SONS (FENCING) LIMITED

DIRECTORS

A.J.Tyler
Miss H.E.Tyler
N.C.Tyler
E.A.Tyler
J.L.Tyler
I.J.Russell

SECRETARY

A.J.Tyler

BUSINESS ADDRESS

Estate Sawmill
Mill Green
Hatfield
Herts.AL9 5PG

REGISTERED OFFICE

Estate Sawmill
Mill Green
Hatfield
Herts.AL9 5PG

AUDITORS

Hughes Allen
Greenwood House
4/7 Salisbury Court
London EC4Y 8BT

INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1995

PAGE

1	Report of the directors
2 - 3	Auditors' Report
4	Profit and loss account
5	Balance sheet
6 - 12	Notes to the financial statements

LEWIS TYLER AND SONS (FENCING) LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 31st December 1995.

REVIEW OF THE BUSINESS

The company's principal activity during the year has been the manufacture, sale and erection of fencing. The directors consider that the company will continue to trade profitably for the foreseeable future.

RESULTS AND DIVIDENDS

The directors recommend payment of a dividend amounting to £2,790. (1994: £2,790)

It is proposed that the retained profit of £35,352 is transferred to reserves.

FIXED ASSETS

The movements in fixed assets during the year are set out in note 7 to the financial statements.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests together with those of their family in the shares of the company were as follows:-

	<u>Class of share</u>	<u>Number of shares</u>	
		<u>1995</u>	<u>1994</u>
A.J.Tyler	Ordinary shares	10,000	10,000
Miss H.E.Tyler	Ordinary shares	1,120	1,120
N.C.Tyler	Ordinary shares	1,120	1,120
E.A.Tyler	Ordinary shares	1,120	1,120
J.L.Tyler	Ordinary shares	1,120	1,120
I.J.Russell	Ordinary shares	1,120	1,120

AUDITORS

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with Section 386(1) of the Companies Act 1985. Therefore, the auditors, Hughes Allen, will be deemed to be reappointed for each succeeding financial year.

MEMBERS RIGHT TO A GENERAL MEETING

The company has passed an elective resolution to dispense with the laying of the financial statements before the company in general meeting. In accordance with the provisions of Section 253 of the Companies Act 1985 the directors hereby notify the members of their right to require the laying of these financial statements and annual reports before a general meeting. If a member wishes a written notice must be deposited at the company's registered office in accordance with the provisions of Section 253(2) of the Companies Act 1985.

By Order of the Board

Estate Sawmill
Mill Green
Hatfield
Herts.AL9 5PG


A.J.Tyler
Secretary

28 March 1996

LEWIS TYLER AND SONS (FENCING) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF
LEWIS TYLER AND SONS (FENCING) LIMITED

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Statement of Directors' Responsibilities

Company law requires the directors 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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Auditors' Responsibilities

As described above, the company's directors are responsible for the preparation of the 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 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, other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

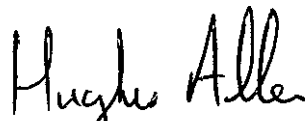
LEWIS TYLER AND SONS (FENCING) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF

LEWIS TYLER AND SONS (FENCING) LIMITED

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



HUGHES ALLEN
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR

Greenwood House
4/7 Salisbury Court
London EC4Y 8BT

29 March 1996

LEWIS TYLER AND SONS (FENCING) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1995

		CONTINUING OPERATIONS	
	Notes	1995 £	1994 £
Turnover	1	2,508,359	2,092,461
Cost of sales		(1,897,613)	(1,568,536)
Gross profit		610,746	523,925
Administrative expenses		(540,026)	(417,965)
Operating profit	2	70,720	105,960
Interest receivable		2	-
Interest payable	3	(18,482)	(20,728)
profit on ordinary activities before taxation		52,240	85,232
Tax on profit on ordinary activities	5	(14,098)	(22,095)
profit for the financial year		38,142	63,137
Dividends	6	(2,790)	(1,540)
Retained profit for the year		35,352	61,597
Retained profits brought forward		141,746	80,149
RETAINED PROFITS carried forward		<u>£ 177,098</u>	<u>£ 141,746</u>

The company made no recognised gains or losses in 1995 or 1994 other than the profit for the year.

The notes on pages 6 to 12 form part of these financial statements

LEWIS TYLER AND SONS (FENCING) LIMITED

BALANCE SHEET
31ST DECEMBER 1995

	Notes	1995 £	1994 £
FIXED ASSETS			
Tangible assets	7	136,973	152,722
CURRENT ASSETS			
Stocks	8	254,536	243,769
Debtors	9	368,648	371,868
Cash at bank and in hand		55	34
		<u>623,239</u>	<u>615,671</u>
CREDITORS: Amounts falling due within one year	10	<u>(529,014)</u>	<u>(580,930)</u>
NET CURRENT ASSETS		<u>94,225</u>	<u>34,741</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>231,198</u>	<u>187,463</u>
CREDITORS: Amounts falling due after more than one year	11	(30,098)	(14,742)
PROVISION FOR LIABILITIES AND CHARGES	12	-	(6,973)
NET ASSETS		<u>£ 201,100</u>	<u>£ 165,748</u>
CAPITAL AND RESERVES			
Called up share capital	13	15,600	15,600
Share premium account		8,402	8,402
Profit and loss account		177,098	141,746
	14	<u>£ 201,100</u>	<u>£ 165,748</u>

The financial statements were approved by the board on
28 March 1996 and signed on its behalf by

A.J. TYLER

)
) Directors
)

MISS H.E. TYLER

The notes on pages 6 to 12 form an integral part of these financial statements

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The principal accounting policies adopted by the company are detailed below.

1.1 BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention.

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 DEPRECIATION

Depreciation is provided using the following rates and bases to write off the tangible assets over their estimated useful lives:-

Plant and machinery	20% Reducing balance
Fixtures & fittings	20% Reducing balance
Motor vehicles-purchased	25% Reducing balance

Leasehold properties and improvements have been amortised over the remaining term of the lease.

1.4 STOCK

Stock and work in progress are valued at the lower of cost and estimated net realisable value.

1.5 DEFERRED TAXATION

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

1.6 LEASING AND HIRE PURCHASE

Assets acquired under finance leases or hire purchase contracts are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Finance charges and interest are taken to the profit and loss account in constant proportion to the remaining balance of capital repayments or net obligations outstanding. Rentals payable under operating leases are taken to the profit and loss account on a straight line basis over the lease term.

1.7 DEFINED CONTRIBUTION PENSION SCHEME

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £6,779 (1994: £8,139).

2. OPERATING PROFIT

The operating profit is stated after charging:-

	1995 £	1994 £
Depreciation	31,378	26,622
Auditors' remuneration	6,250	6,000
Operating lease rentals	16,548	8,644
	<u> </u>	<u> </u>

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

3. INTEREST PAYABLE	1995	1994
	£	£
On bank loans and overdrafts and on loans repayable in full within five years	17,315	20,728
Hire purchase interest	1,167	-
	<u>£ 18,482</u>	<u>£ 20,728</u>
4. DIRECTORS AND EMPLOYEES	1995	1994
	£	£
Staff costs:-		
Wages and salaries	409,744	287,943
Social security costs	37,027	27,748
Other pension costs	6,779	8,139
	<u>£ 453,550</u>	<u>£ 323,830</u>
	Number	Number
The average weekly number of employees during the year was as follows:	26	21
	£	£
Directors' emoluments for the year	<u>£ 161,175</u>	<u>£ 128,100</u>
The division of directors' emoluments, excluding pension contributions, is as follows:-		
Chairman and highest paid director	<u>£ 33,460</u>	<u>£ 24,232</u>
Other directors' remuneration fell within the following ranges:	Number	Number
£Nil - £5,000	-	1
£5,001 - £10,000	-	1
£15,001 - £20,000	-	5
£20,001 - £25,000	5	-
5. TAX ON PROFIT ON ORDINARY ACTIVITIES	1995	1994
	£	£
The taxation charge based on the profit before tax comprises:-		
U.K corporation tax at 25%	21,071	21,327
Transfer from deferred taxation	(6,973)	732
Adjustment in respect of prior years	-	36
	<u>£ 14,098</u>	<u>£ 22,095</u>

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

6. DIVIDENDS	1995	1994
	£	£
Dividends proposed	2,790	2,790
Dividends over provision in prior year	-	(1,250)
	<u>£ 2,790</u>	<u>£ 1,540</u>

7. TANGIBLE FIXED ASSETS

<u>Cost</u>	Beginning of year £	Additions £	Disposals £	End of year £
Properties:				
Leasehold improvements	120,852	3,698	(37,704)	86,846
Short leasehold	265	-	-	265
Plant and machinery	148,593	5,779	-	154,372
Fixtures and fittings	11,504	1,008	-	12,512
Motor vehicles	54,436	32,291	-	86,727
	<u>£ 335,650</u>	<u>£ 42,776</u>	<u>£ (37,704)</u>	<u>£ 340,722</u>

<u>Depreciation</u>	Beginning of year £	Charge for year £	Eliminated on disposal £	End of year £
Properties:				
Leasehold improvements	46,669	6,391	(11,311)	41,749
Short leasehold	132	13	-	145
Plant and machinery	91,737	12,527	-	104,264
Fixtures and fittings	2,300	2,042	-	4,342
Motor vehicles	42,090	11,159	-	53,249
	<u>£ 182,928</u>	<u>£ 32,132</u>	<u>£ (11,311)</u>	<u>£ 203,749</u>

	Beginning of year	End of year
<u>Total net book values</u>	<u>£ 152,722</u>	<u>£ 136,973</u>

Included above are assets held under finance leases or hire purchase contracts as follows:-

	£
Net book values at 31st December 1995:	
Motor vehicles	<u>24,218</u>
Depreciation charge for the year:	
Motor vehicles	<u>8,073</u>

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

8. STOCKS

	1995 £	1994 £
Short term work in progress	16,700	15,250
Finished goods and goods for resale	237,836	228,519
	<hr/>	<hr/>
	£ 254,536	£ 243,769
	<hr/>	<hr/>

9. DEBTORS

	1995 £	1994 £
Trade debtors	359,143	352,942
Advance corporation tax recoverable	1,395	1,360
Other debtors	-	10,884
Prepayments and accrued income	8,110	6,682
	<hr/>	<hr/>
	£ 368,648	£ 371,868
	<hr/>	<hr/>

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1995 £	1994 £
Bank loans and overdrafts	102,001	134,135
Other Loans	46,000	58,000
Trade creditors	293,018	295,078
Proposed dividend	2,790	2,790
Advance corporation tax payable	1,395	698
Corporation tax	21,072	21,327
Other taxes and social security costs	46,542	54,219
Net obligations under finance lease and hire purchase contracts	6,132	-
Accruals and deferred income	10,064	14,683
	<u>£ 529,014</u>	<u>£ 580,930</u>

The bank loans and overdraft are secured as follows:

1. A debenture floating charge in favour of the bank over all assets and undertakings of the company
2. A sole guarantee by A J Tyler in the sum of £50,000 supported by a personal freehold property.

Other loans include the following :	1995 £	1994 £
Loan from former director (interest payable at 15.132%)	16,000	28,000
Loans from director: A.J.Tyler (interest payable at 14.67%)	30,000	30,000
	<u>£ 46,000</u>	<u>£ 58,000</u>

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	1995 £	1994 £
Bank loans (secured as above)	9,662	14,742
Net obligations under finance leases and hire purchase contracts	20,436	-
	£ 30,098	£ 14,742

The above amounts are wholly repayable within five years

Net obligations under finance leases
and hire purchase contracts

Repayable within one year	8,812	-
Repayable between one and five years	23,499	-
	32,311	-
Finance charges and interest allocated to future accounting periods	5,743	-
	26,568	-
Included in current liabilities	(6,132)	-
	£ 20,436	£ -

12. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred tax is calculated at 25% (1994 - 25%) analysed over the following timing differences:-

	Fully Provided	
1995		1994
£		£
£ -		£ 6,973

Movements on the provision for deferred taxation are:-

	£
At 1st January 1995	6,973
Transferred to profit and loss account	(6,973)
	-
At 31st December 1995	£ -

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1995

13. SHARE CAPITAL	1995	1994
	£	£
<u>Authorised</u>		
25,000 Ordinary shares of £1 each	£ 25,000	£ 25,000
	<hr/>	<hr/>
<u>Allotted, called up and fully paid</u>		
15,600 Ordinary shares of £1 each	£ 15,600	£ 15,600
	<hr/>	<hr/>
14. RECONCILIATION OF SHAREHOLDERS FUNDS	1995	1994
	£	£
Retained profit for the year	38,142	63,137
Dividend	(2,790)	(1,540)
	<hr/>	<hr/>
Movements in shareholders funds	35,352	61,597
Opening shareholders funds	165,748	104,151
	<hr/>	<hr/>
	£ 201,100	£ 165,748
	<hr/>	<hr/>

15. OPERATING LEASE COMMITMENTS

The amounts payable in the next year in respect of operating leases are shown below, analysed according to the expiry date of the leases.

	Land and buildings		Other	
	1995	1994	1995	1994
	£	£	£	£
Expiry date:				
Between one and five years	-	-	16,148	12,605
After five years	52,000	52,000	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 52,000	£ 52,000	£ 16,148	£ 12,605
	<hr/>	<hr/>	<hr/>	<hr/>