

Contents

Abbreviated accounts for
the year ended 31 July 1998

Paul Davies Limited

Auditors' report 1

Abbreviated balance sheet 2

Notes to the abbreviated accounts 3



Paul Davies Limited

Auditors' Report to Paul Davies Limited Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of the company for the year ended 31 July 1998 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 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 2 to 4 are properly prepared in accordance with those provisions.

Mazars Neville Russell

MAZARS NEVILLE RUSSELL
CHARTERED ACCOUNTANTS
and Registered Auditors
Cross Lane House
Crown Street
Cleckheaton

1 March 1999

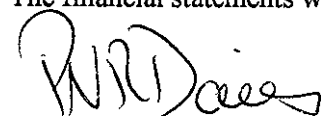
Paul Davies Limited

Abbreviated balance sheet As at 31 July 1998

	Notes	1998 £	£	1997 £	£
Fixed assets					
Tangible assets	2		32,005		41,784
Current assets					
Stocks		946,773		886,258	
Debtors		53,983		94,853	
Cash at bank and in hand		18,756		9,629	
		<u>1,019,512</u>		<u>990,740</u>	
Creditors: amounts falling due within one year		<u>(623,231)</u>		<u>(601,746)</u>	
Net current assets			<u>396,281</u>		<u>388,994</u>
Total assets less current liabilities			428,286		430,778
Creditors: amounts falling due after more than one year			<u>(300,000)</u>		<u>(300,000)</u>
			<u>128,286</u>		<u>130,778</u>
Capital and reserves					
Called up share capital	3		1,000		1,000
Profit and loss account			127,286		129,778
Shareholders' funds			<u>128,286</u>		<u>130,778</u>

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

The financial statements were approved by the board on 23 FEB 1999



P N R Davies
Director



C L Davies
Director

Paul Davies Limited

Notes to the abbreviated accounts For the year ended 31 July 1998

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents the amounts invoiced, excluding value added tax, in respect of the sale of goods and services to customers.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

1.4 Stock

Stock is valued at the lower of cost and net realisable value.

1.5 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Fixed assets

	Total £
Cost	
At 1 August 1997 & at 31 July 1998	109,647
Depreciation	
At 1 August 1997	67,863
Charge for the year	9,779
At 31 July 1998	77,642
Net book value	
At 31 July 1998	32,005
At 31 July 1997	41,784

Paul Davies Limited

Notes to the abbreviated accounts For the year ended 31 July 1998

3 Share capital	1998	1997
	£	£
Authorised		
25,000 Ordinary Shares of £1 each	25,000	25,000
	<u> </u>	<u> </u>
 Allotted, called up and fully paid		
1,000 Ordinary Shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>