

Reg

Company Registration Number 1414095

PAUL DAVIES LIMITED

ABBREVIATED FINANCIAL STATEMENTS

31 JULY 1995



REVELL WARD

Chartered Accountants & Registered Auditors
Cross Lane House
Crown Street
Cleckheaton

PAUL DAVIES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 1995

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PAUL DAVIES LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 4 to 7, together with the financial statements of the company prepared under Section 226 of the Companies Act 1985 for the year ended 31 July 1995.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 4 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

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 31 July 1995, and the abbreviated accounts on pages 4 to 7 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On ~~14 February 1996~~ we reported, as auditors of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 July 1995, and the full text of our audit report is reproduced on page 2 of these financial statements.

Revell Ward

Chartered Accountants & Registered Auditors
Cross Lane House
Crown Street
Cleckheaton

14 February 1996

PAUL DAVIES LIMITED
AUDITORS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31 JULY 1995

We have audited the financial statements on pages 6 to 12 which have been prepared in accordance with the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described in the directors' report, the directors of the company 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 the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company, 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.

FUNDAMENTAL UNCERTAINTY

In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements concerning the possible outcome to the legal action being taken in the Japanese Courts regarding the impounded coins. The future settlement of this action could result in a substantial gain or loss being made by the Company which cannot be quantified at this stage. Details of the circumstances relating to this fundamental uncertainty are described in the Directors' Report and in Note 11 to the financial statements. Our opinion is not qualified in this respect.

PAUL DAVIES LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 31 JULY 1995

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 July 1995 and of its profit for the year then ended, and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Revel Ward

Chartered Accountants & Registered Auditors
Cross Lane House
Crown Street
Cleckheaton

14 February 1996

PAUL DAVIES LIMITED
ABBREVIATED BALANCE SHEET
31 JULY 1995

	Note	1995 £	1994 £
FIXED ASSETS	2		
Tangible assets		25,095	29,094
CURRENT ASSETS			
Stocks		1,188,059	883,036
Debtors		154,875	120,562
Cash at bank and in hand		4,251	3,628
		<u>1,347,185</u>	<u>1,007,226</u>
CREDITORS: Amounts falling due within one year		<u>(987,338)</u>	<u>(852,608)</u>
NET CURRENT ASSETS		359,847	154,618
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>384,942</u>	<u>183,712</u>
CREDITORS: Amounts falling due after more than one year		<u>(200,000)</u>	<u>-</u>
NET ASSETS		<u><u>184,942</u></u>	<u><u>183,712</u></u>
CAPITAL AND RESERVES			
Share capital	3	1,000	1,000
Profit and loss account		183,942	182,712
SHAREHOLDERS' FUNDS		<u><u>184,942</u></u>	<u><u>183,712</u></u>

The directors have taken advantage of the abbreviated disclosure exemptions conferred by section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In preparing the annual accounts, the directors have taken advantage of the special accounting exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the basis that, in the opinion of the directors, the company qualifies as a small company. These financial statements were approved by the directors on the13 Feb.....1996 and are signed on their behalf by:

MR P N R DAVIES

P.N.R. Davies

MRS C L DAVIES

C.L. Davies

PAUL DAVIES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 1995

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention using the following accounting policies:

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

Turnover represents the invoiced amount of coins sold stated net of Value added tax.

The analysis of turnover by geographical area is as follows-

	1995 £	1994 £
UK	546,817	319,469
USA and Canada	353,665	317,020
Europe (except UK)	741,532	428,254
Australia and New Zealand	60,165	67,488
South Africa	427,633	738,030
Asia	828,032	740,455
South America	39,025	-
	<u>2,996,869</u>	<u>2,610,716</u>

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

- Office equipment - 15%
- Fixtures and fittings - 15%
- Motor vehicles - 25%
- Car telephone - 15%

All assets are depreciated using the reducing balance method.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Stocks

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

PAUL DAVIES LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 1995

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred taxation is provided to take account of timing differences arising between the treatment of certain items for accounts purposes and their treatment for taxation purposes.

Provision is made at the rate of Corporation tax anticipated to be in force in the year in which the timing difference is expected to reverse. No provision is made where, in the opinion of the Directors, it is expected that no such liability to taxation will crystallise in the foreseeable future.

Foreign currencies

Assets and liabilities denominated in a foreign currency are translated at the rate ruling at the balance sheet date.

Transactions denominated in a foreign currency are translated at the rate ruling at the date of transaction.

All differences are taken to the profit and loss account.

2. FIXED ASSETS

	Tangible Fixed Assets £
COST	
At 1 August 1994	98,459
Additions	1,910
	<u>100,369</u>
At 31 July 1995	<u>100,369</u>
 DEPRECIATION	
At 1 August 1994	69,365
Charge for year	5,909
	<u>75,274</u>
At 31 July 1995	<u>75,274</u>
 NET BOOK VALUE	
At 31 July 1995	25,095
At 1 August 1994	<u>29,094</u>

PAUL DAVIES LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 1995

3. SHARE CAPITAL

Authorised share capital:

	1995 £	1994 £
25,000 Ordinary shares of £1 each	25,000	25,000
	<u>25,000</u>	<u>25,000</u>

Allotted, called up and fully paid:

	1995 £	1994 £
Ordinary share capital	1,000	1,000
	<u>1,000</u>	<u>1,000</u>