

Registered Number: 01457518

PEGASUS HORSESHOES LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 OCTOBER 1994



**DUNCAN
& TOPLIS**

CHARTERED ACCOUNTANTS
& REGISTERED AUDITOR

AUDITORS' REPORT

TO THE DIRECTORS OF PEGASUS HORSESHOES LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO
THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 4 to 8 together with the financial statements of Pegasus Horseshoes Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 October 1994.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the 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 October 1994, and the abbreviated accounts on pages 4 to 8 have been properly prepared in accordance with that Schedule.

Other information

On 17.8.95 we reported, as auditors of Pegasus Horseshoes Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 October 1994, and our audit report was as follows:

"We have audited the financial statements on pages 6 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 8 and 9.

Respective responsibilities of directors and auditors

As described on pages 2 and 3, 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 report our opinion to you.

Continued.....

AUDITORS' REPORT

TO THE DIRECTORS OF PEGASUS HORSESHOES LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO
THE COMPANIES ACT 1985 (CONTINUED)

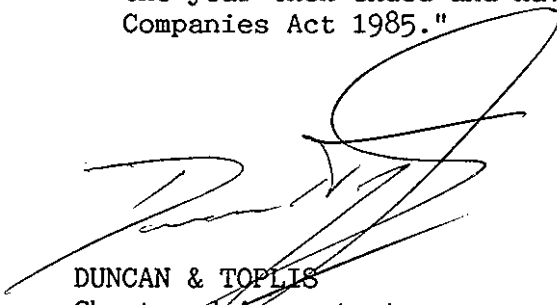
Basis of opinion

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 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. 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 as at 31 October 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."



DUNCAN & TOPLIS
Chartered Accountants
& Registered Auditor,
14 All Saints Street,
Stamford,
Lincs.

17/8/95
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AUDITORS' REPORT

TO THE DIRECTORS OF PEGASUS HORSESHOES LIMITED PURSUANT TO SECTION 248(3) OF
THE COMPANIES ACT 1985

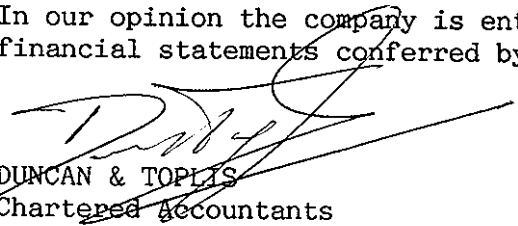
We have examined the financial statements of the company and its subsidiary for
the year ended 31 October 1994.

Basis of opinion

The scope of our work for the purpose of this report was limited to confirming
that the company is entitled to exemption from preparing group financial
statements.

Opinion

In our opinion the company is entitled to the exemption from preparing group
financial statements conferred by section 248 of the Companies Act 1985.



DUNCAN & TOPLIS
Chartered Accountants
& Registered Auditor
14 All Saints Street
Stamford
Lincs

.....17/8/95.....

PEGASUS HORSESHOES LIMITED

ABBREVIATED BALANCE SHEET

31 OCTOBER 1994

		1994		1993	
	Note	£	£	£	£
FIXED ASSETS					
Intangible assets	2		24,953		20,181
Tangible assets	3		70,046		77,416
Investments	4		542,104		542,104
			<hr/>		<hr/>
			637,103		639,701
CURRENT ASSETS					
Debtors		55,865		75,047	
Investments		49,227		-	
Cash at bank and in hand		194,940		156,143	
		<hr/>		<hr/>	
		300,032		231,190	
CREDITORS: Amounts falling due within one year		403,764		378,282	
		<hr/>		<hr/>	
NET CURRENT LIABILITIES			(103,732)		(147,092)
			<hr/>		<hr/>
NET ASSETS			533,371		492,609
			<hr/>		<hr/>
CAPITAL AND RESERVES					
Called up share capital	5	10,000		10,000	
Profit and loss account		523,371		482,609	
		<hr/>		<hr/>	
		533,371		492,609	
		<hr/>		<hr/>	

In preparing these abbreviated accounts, the directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that, in the directors' opinion, the company is a small company.

Approved by the Board on 14/8/95...

S E Dale



Mrs M J Dale



NOTES TO THE ABBREVIATED ACCOUNTS

31 OCTOBER 1994

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Basis of Consolidation

The Company has not prepared group accounts as it qualifies as a small group and, as such, has taken advantage of exemption from preparing group accounts under s.248 Companies Act 1985.

Cashflow Statement

In accordance with Financial Reporting Standard 1, the company has not prepared a cashflow statement as in the opinion of the directors the company qualifies as a small company under s.247 Companies Act 1985 and is therefore exempt.

Turnover

Turnover represents amounts charged to customers for goods and services provided during the year, excluding value added tax and trade discounts.

Intangible Fixed Assets

Patents: The cost of patents is written off over their expected useful lives.

Development costs: The development costs of new products are capitalised provided that the directors are satisfied as to the financial viability of the individual projects. No depreciation is provided until such time as these products are in commercial production. The development costs are then depreciated at a rate based on the anticipated life of each new product.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are depreciated at rates calculated to write off the cost (less estimated residual value) of each asset over its expected useful life at the following annual rates:

Horse	- nil
Tools and equipment	- 15% on written down value
Motor vehicles	- 25% on written down value
Office equipment	- 15% on written down value

The horse is not depreciated as in the opinion of the directors it is of an age where its value does not significantly decline from year to year.

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

31 OCTOBER 1994

1 ACCOUNTING POLICIES (CONTINUED)

Deferred Taxation

Deferred taxation is provided using the liability method in respect of all timing differences that are expected to reverse in the foreseeable future.

Pensions

The company operates a defined contribution pension scheme for the benefit of the directors where contributions are made to an external pension scheme to provide for retirement benefits and are charged to the profit and loss account as incurred.

Investment in Subsidiary

Investment in subsidiary is stated at the lower of cost and the company's share of net assets.

Current Asset Investments

Current asset investments are stated at the lower of cost and net realisable value.

2 INTANGIBLE FIXED ASSETS

	Total £
Cost:	
At 1 November 1993	27,605
Additions	7,040
	<hr/>
At 31 October 1994	34,645
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Depreciation:	
At 1 November 1993	7,424
Charge for the year	2,268
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At 31 October 1994	9,692
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Net book value:	
At 31 October 1994	24,953
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At 31 October 1993	20,181
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NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

31 OCTOBER 1994

3 TANGIBLE FIXED ASSETS

	Total
	£
Cost:	
At 1 November 1993	177,117
Additions	4,500
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At 31 October 1994	181,617
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Depreciation:	
At 1 November 1993	99,701
Charge for the year	11,870
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At 31 October 1994	111,571
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Net book value:	
At 31 October 1994	70,046
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At 31 October 1993	77,416
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4. FIXED ASSET INVESTMENT

	1994 £	1993 £
Investment in subsidiary undertaking at cost	542,104	542,104
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The investment represents a 100% interest in the issued share capital of A J Pledger & Co (Metals) Limited, an unlisted company registered in England. The principal activity of this subsidiary company is horseshoe manufacturing.

The most recent financial statements of A J Pledger & Co (Metals) Limited showed:

Year end	Net Assets £	Profit for the year £
31 December 1994	1,524,447	93,389
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In the opinion of the directors no benefit would arise in having coterminous year ends for the subsidiary and the holding company.

31 OCTOBER 1994

5 CALLED UP SHARE CAPITAL

	1994 £	1993 £
Authorised: 10,000 Ordinary shares of £1 each	£10,000	£10,000
	<hr/>	<hr/>
Allotted, issued and fully paid: 10,000 Ordinary shares of £1 each	£10,000	£10,000
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6 TRANSACTIONS WITH DIRECTORS

During the year the company had the following transactions with the directors:

- (i) It made purchases amounting to £184,095 (1993:£124,682) from an unincorporated business in which S E Dale was the sole proprietor.
- (iii) The company paid a management charge of £15,000 (1993:£30,000) to an unincorporated business, in which S E Dale was the sole proprietor.