

CHENEY COACHES LIMITED
ABBREVIATED FINANCIAL STATEMENTS

30TH APRIL 1996

Registered number: 1493825

ELLACOTT STRANKS & CO.

Chartered Accountants

Banbury



CHENEY COACHES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30th April 1996

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CHENEY COACHES LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

Auditors' report to the directors' of
Cheney Coaches Limited
pursuant to paragraph 24 of Schedule 8
to the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 5 together with the financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 30th April 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 2 and whether the abbreviated financial statements 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 financial statements 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 30th April 1996, and the abbreviated financial statements on pages 2 to 5 have been properly prepared in accordance with that Schedule.

Other information

On 1st November 1996 we reported, as auditors of the company, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30th April 1996, and our audit report was as follows:

'We have audited the financial statements on pages 5 to 15 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 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 to report our opinion to you.

continued

CHENEY COACHES LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS
(continued)

Auditors' report to the directors of
Cheney Coaches 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 error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the uncertainty as to the continuation and renewal of the company's bank overdraft facility. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th April 1996 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.'



ELLACOTT STRANKS & CO.
Chartered Accountants
Registered Auditor
Beechfield House
38 West Bar
Banbury
Oxon.

Dated 1st November 1996


CHENEY COACHES LIMITED
 ABBREVIATED BALANCE SHEET
 at 30th April 1996

	Note	£	1996 £	£	1995 £
Fixed assets					
Tangible assets	2		458,083		386,772
Current assets					
Stocks		5,157		3,278	
Debtors		53,259		45,207	
		58,416		48,485	
Creditors: amounts falling due within one year		(241,399)		(217,246)	
Net current liabilities			(182,983)		(168,761)
Total assets less current liabilities			275,100		218,011
Creditors: amounts falling due after more than one year					
	3		(178,358)		(195,611)
			96,742		22,400
Capital and reserves					
Called up share capital	4		10,000		10,000
Revaluation reserve			113,143		61,261
Profit and loss account			(26,401)		(48,861)
Total shareholders' funds			96,742		22,400

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

The directors have taken advantage of the special exemptions conferred by Part I of Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those special exemptions as a small company.

The abbreviated financial statements on pages 2 to 5 were approved by the board of directors on 7th October 1996.


 Director G.W. PEACE

CHENEY COACHES LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th April 1996

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules (as modified by the revaluation of certain fixed assets).

The accounts have been drawn up on a going concern basis. The company meets its day to day working capital requirements through an overdraft facility which in common with all such facilities is repayable on demand. The facility is under continuous review and in view of their relationship with the company's bankers, the directors consider it reasonable to rely on the continuation of the facility for the foreseeable future.

If the going concern basis were not appropriate, adjustments would have to be made to reduce the value of the assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify fixed assets as current assets and long term liabilities as current liabilities.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land and buildings	2% Straight Line Method
Plant and machinery	15% Reducing Balance Method
Motor vehicles	25% Reducing Balance Method

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

CHENEY COACHES LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th April 1996

2 Fixed assets

Cost or valuation	Tangible fixed assets £
1st May 1995	607,896
Additions	98,171
Disposals	(15,500)
Surplus on revaluation	67,193
30th April 1996	<u>757,760</u>
Depreciation	
1st May 1995	221,125
Charge for year	85,334
Disposals	(6,782)
30th April 1996	<u>299,677</u>
Net book amount	
30th April 1996	<u><u>458,083</u></u>
1st May 1995	<u><u>386,772</u></u>

3 Creditors: amounts falling due
after more than one year

1996	1995
£	£

The following amounts are included in creditors
falling due after more than one year:

Due wholly or in part by instalments
after five years

Other loans	<u>102,398</u>	<u>97,689</u>
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The aggregate amount of instalments due after
five years is as follows:

Other loans	<u>74,286</u>	<u>71,764</u>
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The total of secured creditors amounts to £289,451 (1995 £284,834).

CHENEY COACHES LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30th April 1996

4 Called up share capital

	1996		1995	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary £1 each	10,000	10,000	10,000	10,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Allotted called up and fully paid				
Ordinary £1 each	10,000	10,000	10,000	10,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5 Directors' interests and loans

- a. During the year ended 30th April 1995 the company sold to M. Peace a director of the company, an Escort car at fair market value.
- b. During the year the company sold to G.W. Peace, a director of the company, a Granada car at fair market value.