

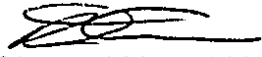

M M G (ENGINEERS) LIMITED

BALANCE SHEET as at 5 April 1989

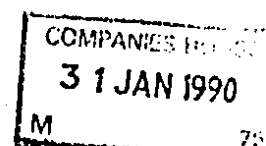
179897

	£	£	1988	£
<u>Fixed Assets</u>				
<u>Tangible Assets:-</u>				
Spanish Villa		98480		20825
Office Equipment		1897		1035
Motor Vehicles		13265		17688
		<u>113642</u>		<u>39548</u>
<u>Current Assets</u>				
Work in Progress as valued	1280		6500	
Trade Debtors	49500		32616	
Sundry Debtors and Payments in Advance	783		1195	
Cash at Bank	-		25692	
Cash in Hand	125		-	
Value Added Tax	2325		3028	
	<u>54013</u>		<u>69031</u>	
<u>Less Liabilities due within one year</u>				
Trade Creditors	33712		54811	
Sundry Creditors	2567		2998	
Corporation Tax payable	21757		6218	
Directors' Current Accounts	20101		19270	
Bank Overdraft	3862		-	
	<u>81999</u>		<u>83297</u>	
Net Current Assets		<u>(27986)</u>		<u>(14266)</u>
		<u>85656</u>		<u>25282</u>
<u>Financed By:-</u>				
Share Capital				
Authorised, Issued and Fully Paid 1000 Ordinary Shares of £1		1000		1000
Profit and Loss Account		<u>84656</u>		<u>24282</u>
		<u>85656</u>		<u>25282</u>

In preparing these modified accounts, we have relied upon the exemptions for individual accounts provided by Sections 247 to 249 of the Companies Act 1985 and we have done so on the grounds that the company is entitled to the benefits of those exemptions as a small company.

 .....Director y.  .....Director

Approved by the board:- 7 July 1989



REPORT OF THE AUDITORS' TO THE DIRECTORS OF

M M G (ENGINEERS) LIMITED

UNDER SCHEDULE 8 OF THE COMPANIES ACT 1985

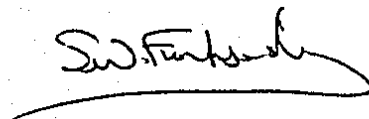
We have examined the modified accounts, which have been properly prepared in accordance with Sections 247 to 249 of the Companies Act 1985. In our opinion the company satisfies the requirement of Section 248 of the Companies Act 1985 for exemption as a small company for the year ended 5 April 1989.

As auditors of M M G (Engineers) Limited on 7 July 1989 we reported to the members on the accounts of the company prepared under Section 227 of the Companies Act 1985 for the year ended 5 April 1989 as follows:-

"We have examined the attached financial statements which have been prepared under the historical cost convention. Our audit has been conducted in accordance with approved auditing standards, having regard to the matters referred to in the following paragraph.

In common with many businesses of similar size and organisation, the company's system of control is dependent upon the close involvement of the directors who are major shareholders. Where independent confirmation of the accounting records was not available, we have taken representations from the directors that all the company's transactions have been reflected in the records.

Subject to the foregoing, in our opinion, based upon our examination, these financial statements give, under the convention stated above, a true and fair view of the state of affairs of the company at the 5 April 1989 and of the result and source and application of funds for the year then ended and comply with the Companies Act 1985."



S.W. Frankson & Co.  
Bridge House  
Station Road  
Hayes  
Middlesex  
UB3 4BT

7 July 1989

# M M G (ENGINEERS) LIMITED

## NOTES TO THE ACCOUNTS for the year ended 5 April 1989

### 1. Accounting Policies

#### (a) Basis of accounting

The accounts have been prepared under the historical cost convention.

#### (b) Turnover

Turnover represents net invoiced sales, excluding value added tax.

#### (c) Tangible fixed assets

Depreciation is provided, at the following annual rates in order to write off each asset over its estimated useful life :

Office Equipment	25%
Motor Vehicles	25%

No depreciation has been provided in respect of the spanish villa as the deveolpment has not been completed.

#### (d) Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

### 2. Fixed Assets

Cost	Balance B/F	Disposal	Additions	Balance C/F
Spanish Villa	20825	-	77655	98480
Office Equipment	1213	-	1495	2708
Motor Vehicles	25058	-	-	25058
	<u>47096</u>	<u>-</u>	<u>79150</u>	<u>126246</u>
Depreciation	Balance B/F	Disposal	Charge for Year	Balance C/F
Office Equipment	178	-	633	811
Motor Vehicles	7370	-	4423	11793
	<u>7548</u>	<u>-</u>	<u>5056</u>	<u>12604</u>

### 3. Deferred Taxation

The amount provided and the total liability for deferred taxation were as follows:-

	1989		1988	
	Amount Provided	Potential Liability	Amount Provided	Potential Liability
Accelerated Capital Allowances	Nil	Nil	Nil	Nil