

FINE CUT INTERNATIONAL LIMITED

ABBREVIATED  
FINANCIAL STATEMENTS

Year ended 30 SEPTEMBER 1998

Company Number: 1871250

HILTON SHARP & CLARKE  
Chartered Accountants  
30 New Road  
Brighton  
BN1 1BN



AUDITORS' REPORT TO FINE CUT INTERNATIONAL LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5 together with the full financial statements of Fine Cut International Limited prepared under section 226 of the Companies Act 1985 for the year ended 30 September 1998.

Respective responsibilities of directors and auditors

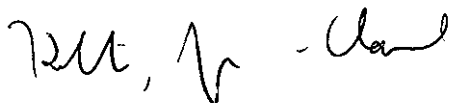
The directors are responsible for preparing the abbreviated accounts in accordance with Section 226 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (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 considered necessary to confirm, by reference to the audited 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 5 are properly prepared in accordance with those provisions.



HILTON SHARP & CLARKE

Chartered Accountants  
and Registered Auditor

11 MARCH

1999

## FINE CUT INTERNATIONAL LIMITED

## ABBREVIATED BALANCE SHEET

As at 30 SEPTEMBER 1998

	Note	1998		1997	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	2		588,083		322,408
CURRENT ASSETS					
Stocks		12,108		13,900	
Debtors		307,629		279,093	
Cash at bank and in hand		8,309		11,620	
		<u>328,046</u>		<u>304,613</u>	
CREDITORS: amounts falling due within one year	3	<u>(477,285)</u>		<u>(332,414)</u>	
NET CURRENT LIABILITIES			<u>(149,239)</u>		<u>(27,801)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			438,844		294,607
CREDITORS: amounts falling due after more than one year	4		(164,678)		(44,252)
PROVISIONS FOR LIABILITIES AND CHARGES			<u>(21,353)</u>		<u>(18,209)</u>
NET ASSETS			<u>£ 252,813</u>		<u>£ 232,146</u>
CAPITAL AND RESERVES					
Called up share capital	5		15,090		15,090
Profit and loss account			237,723		217,056
EQUITY SHAREHOLDERS' FUNDS			<u>£ 252,813</u>		<u>£ 232,146</u>

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

Approved by the board on: 10 MARCH 1999

P. TYLER

Director

## FINE CUT INTERNATIONAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 SEPTEMBER 1998

## 1. ACCOUNTING POLICIES

## a) Accounting convention

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

## b) Depreciation of tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life at the following annual rates:

Plant and machinery	-	15%	reducing balance method
Motor vehicles	-	25%	reducing balance method
Fixtures and fittings	-	25%	reducing balance method

No depreciation has been provided on the Freehold Properties because it is the practice of the company to maintain the properties in a continual state of sound repair. For this reason the life is considered so long and the residual value sufficiently high that the depreciation is insignificant.

## c) Stock

Stock is stated at the lower of cost and net realisable value as valued by the director.

## d) Hire purchase commitments, finance and operating leases

Where assets are obtained under finance leases or under hire purchase contracts which give risks and rewards approximating to ownership they are treated as if they had been purchased outright and are included in fixed assets. Assets acquired under finance leases are depreciated over the lesser of their estimated useful lives and the period of the lease. Assets acquired under hire purchase are depreciated over their estimated useful lives.

The interest element of the repayments is charged to the profit and loss account over the period of the contracts and represents a constant proportion of the balance of capital repayments outstanding.

The capital element of the agreements is shown within obligations under finance leases and hire purchase contracts.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

## e) Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions and non-monetary assets in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken to the profit and loss account in the current year.

## f) Pensions

The company operates an externally administered defined contribution pension scheme. Contributions payable for the year are charged to the profit and loss account as they fall due.

## g) Deferred Taxation

Deferred tax is provided only to the extent that it is probable that a liability will crystallise.

## FINE CUT INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)  
Year ended 30 SEPTEMBER 1998

## 2. TANGIBLE FIXED ASSETS

	Total £
At 1 October 1997	600,914
Additions	388,907
Disposals	(39,790)
At 30 September 1998	<u>£ 950,031</u>
Depreciation	
At 1 October 1997	278,506
Charge for year	102,104
On disposals	(18,662)
At 30 September 1998	<u>£ 361,948</u>
Net Book Value	
At 30 September 1998	<u>£ 588,083</u>
At 30 September 1997	<u>£ 322,408</u>

## 3. SECURED CREDITORS

The debt financing of is secured by a fixed and floating charge over the trade debtors of the company.

## 4. CREDITORS

Creditors include loans not wholly repayable within 5 years as follows:

	1998 £	1997 £
Repayable by instalments falling due:		
- after 5 years	<u>£ 75,937</u>	<u>£ -</u>

## 5. CALLED UP SHARE CAPITAL

Authorised

50,000 ordinary shares of £1 each	<u>£ 50,000</u>	<u>£ 50,000</u>
Allotted, called up and fully paid		
15,090 ordinary shares of £1 each	<u>£ 15,090</u>	<u>£ 15,090</u>

FINE CUT INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)  
Year ended 30 SEPTEMBER 1998

6. RELATED PARTIES

P. Tyler, a director of Fine Cut International Limited, has a controlling interest in the company.

During the year the company paid management charges of £64,195 (1997: £135,000) to Pinescape Limited. Mr. P. Tyler and Mrs C. Tyler, directors of this company are also directors of Pinescape Limited.

During the year the company was charged £48,750 rent by Pinescape Limited Retirement and Death Benefit Scheme. This balance was outstanding at the year end.