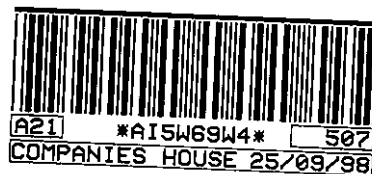


STEPHENSONS (SOUTHWOLD) LIMITED

**ABBREVIATED
FINANCIAL STATEMENTS**

**For the year ended
31 December 1997**



STEPHENSONS (SOUTHWOLD) LIMITED

ACCOUNTANT'S REPORT

To the shareholders of Stephensons (Southwold) Limited

As described on the balance sheet you are responsible for the preparation of the abbreviated financial statements for the year ended 31 December 1997 set out on pages 2 to 5 and you consider that the company is exempt from an audit and a report under Section 249A(2) of the Companies Act 1985. In accordance with your instructions I have compiled the unaudited abbreviated financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to me.



**H C Moore FCA
Chartered Accountant
2 Lime Kiln Close
Claydon
Ipswich
IP6 0AW**

30 June 1998

STEPHENSONS (SOUTHWOLD) LIMITED

**BALANCE SHEET
as at 31 December 1997**

	Notes	1997	1996
		£	£
FIXED ASSETS			
Intangible assets	2	10,000	11,000
Tangible assets	3	8,285	10,393
		<u>18,285</u>	<u>21,393</u>
CURRENT ASSETS			
Stocks		62,409	63,854
Debtors and prepayments		45,150	24,823
Cash in hand or at bank		1,506	11,584
		<u>109,065</u>	<u>100,261</u>
CREDITORS: Amounts falling due within one year		(66,151)	(65,900)
NET CURRENT ASSETS		<u>42,914</u>	<u>34,361</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>61,199</u>	<u>55,754</u>
CREDITORS:- Amounts falling due within one year			
Provision for liabilities and charges			
Deferred taxation		(400)	(385)
NET ASSETS		<u>60,799</u>	<u>55,369</u>
CAPITAL AND RESERVES			
Called up share capital	4	2	2
Profit and Loss account		60,797	55,367
SHAREHOLDERS' FUNDS - Equity Interest		<u>60,799</u>	<u>55,369</u>

The notes on pages 4 and 5 form part of the financial statements

STEPHENSONS (SOUTHWOLD) LIMITED

**BALANCE SHEET (*continued*)
as at 31 December 1997**

Directors' Statement

The directors have taken advantage of the exemption conferred by Section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under Section 249B(2) of the Companies Act 1985. The directors acknowledge their responsibilities for:

- a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985: and
- b) preparing financial statements which give a true and fair view of the state of affairs of company as at 31 December 1997 and of its profit for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

We have relied on Sections 246 and 247 of the Companies Act 1985, entitling us to the exemptions conferred by Section A of part III of Schedule 8 to that Act, and we do so on the grounds that the company is entitled to the benefits of these Sections as a small company.

The abbreviated financial statements were approved by the Board on 30 June 1998



C R Fournel
Director

The notes on pages 4 and 5 form part of these financial statements.

STEPHENSONS (SOUTHWOLD) LIMITED

NOTES FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 December 1997

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied.

Turnover

Turnover represents sales to outside customers at invoiced amounts less value added tax.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:-

Fixtures and fittings	-	15% reducing balance
Equipment	-	15% reducing balance
Motor vehicles	-	25% reducing balance

Stocks

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

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, to the extent that it is probable that a liability or asset will crystallise.

Compliance with Accounting Standards

The financial statements have been prepared in accordance with applicable accounting standards.

2 INTANGIBLE FIXED ASSET

	1997 £	1996 £
Goodwill		
Book value at 1 January 1997	11,000	12,000
Amount written off	1,000	1,000
	<hr/>	<hr/>
Book value at 31 December 1996	10,000	11,000
	<hr/>	<hr/>

STEPHENSONS (SOUTHWOLD) LIMITED

NOTES FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 December 1997 *(continued)*

3 TANGIBLE ASSETS

	Total £
Cost	
At 1 January 1997	22,294
Additions	123
	<hr/>
At 31 December 1997	22,417
	<hr/>
Depreciation	
At 1 January 1997	11,901
Provided for the year	2,231
	<hr/>
At 31 December 1996	14,132
	<hr/>
Net book value	
At 31 December 1996	10,393
	<hr/>
At 31 December 1997	8,285
	<hr/>

4 SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	1997	1996	1997	1996
	£	£	£	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>2</u>	<u>2</u>