

HYTECH GLASS LIMITED

**REPORTS &
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 1996**

**as abbreviated by Sections 246 to 247
Companies Act 1985**

**Company Number
2495641**



**Sidery & Co
Chartered Accountants & Registered Auditors**

**ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1996**

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**AUDITORS' REPORT TO THE DIRECTORS OF HYTECH GLASS LIMITED
PERSUANT TO SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 4 to 8 together with the full financial statements of Hytech Glass Limited for the year ended 30 June 1996. The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 1 and that the abbreviated accounts have been properly prepared from the full accounts.

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemption conferred by Section A of Part III of Schedule 8 to that Act in respect of the year ended 30 June 1996 and the abbreviated accounts have been properly prepared from the full accounts.

On 11 February 1997, we reported as auditors to the shareholders on the full financial statements required by section 226 of the Companies Act 1985 for the year ended 30 June 1996 and our audit report was as follows :

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 4 and 5.

Respective responsibilities of directors and auditors

As described on page 2, 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.

Basis of opinion

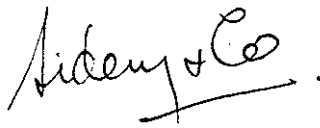
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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.

AUDITORS' REPORT TO THE DIRECTORS OF HYTECH GLASS LIMITED (Continued)
PERSUANT TO SCHEDULE 8 TO THE COMPANIES ACT 1985

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 30 June 1996 and of its results for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

A handwritten signature in black ink, appearing to read 'Sidery & Co.', with a stylized flourish at the end.

Sidery & Co
Chartered Accountants & Registered Auditors
Chester Enterprise Centre,
Hoole Bridge,
Chester,
CH2 3NE.

11 February 1997

**ABBREVIATED BALANCE SHEET
AS AT 30 JUNE 1996**

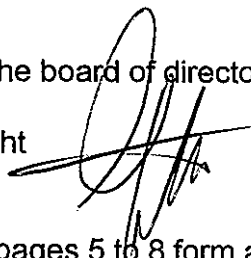
| | <u>Notes</u> | 1996 £ | 1995 £ |
|---|--------------|------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 2 | 33,491 | 34,891 |
| Investments | | - | - |
| | | <u>33,491</u> | <u>34,891</u> |
| Current assets | | | |
| Stocks | | 14,145 | 11,933 |
| Debtors | 3 | 136,590 | 101,349 |
| Cash at bank and in hand | | <u>448</u> | <u>214</u> |
| | | 151,183 | 113,496 |
| Creditors : amounts falling due within one year | 4 | <u>(143,953)</u> | <u>(102,270)</u> |
| Net current assets (liabilities) | | 7,230 | 11,226 |
| Total assets less current liabilities | | <u>40,721</u> | <u>46,117</u> |
| Creditors : amounts falling due after more than one year | 4 | (46,802) | (59,744) |
| Provisions for liabilities & charges | | - | - |
| Total net assets | | <u><u>(£6,081)</u></u> | <u><u>(£13,627)</u></u> |
| Capital and reserves | | | |
| Called up share capital | 5 | 1,000 | 1,000 |
| Profit and loss account | | <u>(7,081)</u> | <u>(14,627)</u> |
| Shareholders' funds | | <u><u>(£6,081)</u></u> | <u><u>(£13,627)</u></u> |

The directors have taken advantage of the exemptions conferred by Section A Part IIIA 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.

In the preparation of the accounts, the directors have taken advantage of special exemptions applicable to small companies under Schedule 8 Part 1 of the Companies Act 1985. In the opinion of the directors, the company qualifies as a small company and is entitled to make use of such exemptions.

Approved by the board of directors on 10 February 1997 and signed on its behalf by :

Graham Upright
Director



Paul O'Reilly
Director



The notes on pages 5 to 8 form an integral part of these financial statements.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1996**

1 ACCOUNTING POLICIES**Basis of preparation of accounts**

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

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates, calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases :

| | | |
|-------------------|-----|---------------------|
| Motor Vehicles | 20% | straight line basis |
| Plant & equipment | 15% | straight line basis |
| Office equipment | 15% | straight line basis |

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental period is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1996**

Stocks & work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

Cash flow statement

The company qualifies as a small company under the Companies Act 1985. The directors have elected to take advantage of the exemptions under FRS1 not to prepare a cash flow statement.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

2 Tangible fixed assets

| | Total |
|--------------------------|----------------|
| Cost or valuation | |
| As at 1 July 1995 | 84,266 |
| Additions | 10,500 |
| Disposals | (1,449) |
| As at 30 June 1996 | <u>£93,317</u> |
| Depreciation | |
| As at 1 July 1995 | 49,375 |
| Charge for the year | 11,800 |
| Disposals | (1,349) |
| As at 30 June 1996 | <u>£59,826</u> |
| Net book values | |
| As at 30 June 1996 | <u>£33,491</u> |
| As at 30 June 1995 | <u>£34,891</u> |

The net book value includes assets held under finance leases or hire purchase contracts amounting to £28,447 (1995 - £24,146)

3 Debtors

| | 1996 £ | 1995 £ |
|---------------------|-----------------|-----------------|
| Due within one year | <u>£136,590</u> | <u>£101,349</u> |

4 Creditors

| | 1996 £ | 1995 £ |
|--|----------------|----------------|
| <u>Amounts falling due within one year include :</u> | | |
| Bank overdraft (secured) | £21,041 | £13,804 |
| Loans (current instalments) (secured) | <u>£4,762</u> | <u>£4,762</u> |
| <u>Amounts falling due after one year include :</u> | | |
| Bank loans (secured) | £18,095 | £29,524 |
| Obligations under finance leases & HP contracts | £13,805 | £13,318 |
| Directors loans | <u>£14,902</u> | <u>£16,902</u> |

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 1996

Creditors (continued)

| | 1996 £ | 1995 £ |
|---|----------------|----------------|
| <u>Wholly repayable within 5 years by instalments</u> | | |
| Obligations under finance leases & HP contracts | 21,452 | 18,733 |
| Less current instalments | <u>(7,647)</u> | <u>(5,415)</u> |
| | <u>£13,805</u> | <u>£13,318</u> |
| <u>Repayable between 5 - 10 years by installments</u> | | |
| Business Development Loan (secured) | 22,857 | 34,286 |
| Less current instalments | <u>(4,762)</u> | <u>(4,762)</u> |
| | <u>£18,095</u> | <u>£29,524</u> |

The Business Development Loan and bank overdraft are secured by a mortgage debenture over the company's assets and undertaking.

5 Called up share capital

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