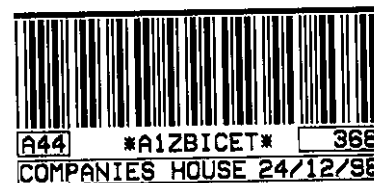


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LEFROY BROOKS MIDLAND LIMITED

ABBREVIATED ACCOUNTS
YEAR ENDED 28TH FEBRUARY 1998

Baldwin and Company
Certified Accountants
40 Lichfield Street
Walsall
West Midlands
WS1 1UU



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AUDITORS' REPORT TO THE DIRECTORS OF

LEFROY BROOKS MIDLAND LIMITED

PURSUANT TO SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 5 together with the full accounts of Lefroy Brooks Midland Limited for the year ended 28th February 1998. The scope of our work for the purposes of this report was limited to confirming that the company is entitled to the exemptions claimed in the directors' statement on page 3 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 28th February 1998 and the abbreviated accounts have been properly prepared from the full accounts.

On 30th April 1998 we reported as auditors of Lefroy Brooks Midland Limited to the shareholders on the full financial statements required by section 226 of the Companies Act 1985 for the year ended 28th February 1998 and our audit report was as overleaf:-

LEFROY BROOKS MIDLAND LIMITED

We have audited the financial statements set out on pages 4 to 13.

Respective responsibilities of directors and auditors

As described on page 1 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.

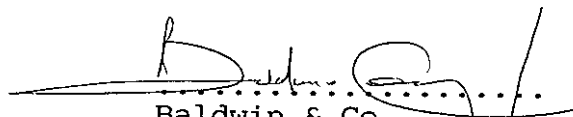
Basis of opinion

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 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 other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 28th February 1998 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


.....
Baldwin & Co
Certified Accountants
Registered Auditors

40 Lichfield Street,
Walsall, West Midlands.
WS1 1UU

30th April 1998

LEFROY BROOKS MIDLAND LIMITED

ABBREVIATED BALANCE SHEET AS AT

28TH FEBRUARY 1998

		1998		1997	
	Note	£	£	£	£
FIXED ASSETS					
Tangible Assets	2		53,386		52,942
CURRENT ASSETS					
Stocks		664,309		398,337	
Debtors: Amounts falling due within one year		232,634		242,306	
Cash at Bank and in Hand		209,404		116,477	
		1,106,347		757,120	
CREDITORS: Amounts falling due within one year		(652,240)		(636,237)	
NET CURRENT ASSETS			454,107		120,883
TOTAL ASSETS LESS CURRENT LIABILITIES			507,493		173,825
CREDITORS: Amounts falling due after one year			(9,469)		(7,421)
			£ 498,024		£ 166,404
CAPITAL AND RESERVES					
Called-up Share Capital	3		100		100
Profit and Loss Account			497,924		166,304
			£ 498,024		£ 166,404

These accounts have been abbreviated in accordance with the Companies Act 1985. In so doing, we have relied upon Sections 247 to 249 of the Companies Act 1985 as entitling us to deliver abbreviated accounts, on the grounds that the company is entitled to the benefit of those Sections as a small company.

The financial statements on pages 4 to 13 were approved by the Board of Directors on 30th April 1998 and were signed on its behalf by:-

..... Mr J S Dudrah (Director)

..... *RWB* Mr R L Blower (Director)

30th April 1998

The accompanying notes are an integral part of these financial statements

LEFROY BROOKS MIDLAND LIMITEDNOTES TO THE ABBREVIATED ACCOUNTSYEAR ENDED 28TH FEBRUARY 19981. Accounting Policies

The financial statements have been prepared under the historical cost convention. The principal accounting policies have remained unchanged and are set out below:-

Turnover

Turnover represents the total amount receivable by the Company in the ordinary course of business for goods supplied and services provided excluding value added tax.

Depreciation

Depreciation is calculated to write off the book value of each tangible fixed asset over its expected useful life on a reducing balance basis at the following annual rates:-

Motor Vehicles	25 %
Fixtures and Fittings	20 %
Plant and Equipment	20 %

Leasing and Hire Purchase Contracts

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated as other tangible assets. The related obligations, net of future finance charges are included in creditors. Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Stock

Stock is stated at the lower of cost and net realisable value.

Pensions

The company operates a non contributory pension scheme. The cost of the contributions made by the company to the scheme are charged to the Profit and Loss account as incurred.

Cash Flow Statement

The company has taken advantage of the exemption in Financial Reporting Standard No. 1, from producing a Cash Flow Statement, on the grounds that it is a small Company.

LEFROY BROOKS MIDLAND LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 28TH FEBRUARY 1998

2. Tangible Assets

	Motor Vehicles	Fixtures and Fittings	Plant and Equipment	Total
	£	£	£	£
<u>Cost</u>				
At 1st March 1997	28,700	8,427	64,619	101,746
Additions	20,950	3,688	792	25,430
Disposals	(16,700)	-	-	(16,700)
At 28th February 1998	<u>32,950</u>	<u>12,115</u>	<u>65,411</u>	<u>110,476</u>
<u>Depreciation</u>				
At 1st March 1997	12,556	3,782	32,466	48,804
Charge	6,925	1,880	6,787	15,592
Disposals	(7,306)	-	-	(7,306)
At 28th February 1998	<u>12,175</u>	<u>5,662</u>	<u>39,253</u>	<u>57,090</u>
<u>Net Book Values</u>				
At 1st March 1997	£ <u>16,144</u>	£ <u>4,645</u>	£ <u>32,153</u>	£ <u>52,942</u>
At 28th February 1998	£ <u>20,775</u>	£ <u>6,453</u>	£ <u>26,158</u>	£ <u>53,386</u>

3. Called-up Share Capital

	1998	1997
	£	£
Authorised:-		
100 Ordinary Shares of £1 each	1,000	1,000
Issued and fully paid:-		
100 Ordinary Shares of £1 each	100	100