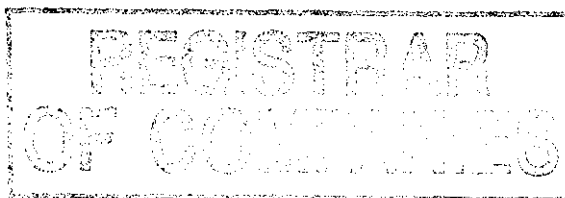


Knipe Whiting Heath Limited

Chartered Certified Accountants and Registered Auditors



DOUGHTY BROTHERS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2001



A35
COMPANIES HOUSE

AQEE39QU

0759
06/04/02

Company Number: 493921

Knipe Whiting Heath Limited

Chartered Certified Accountants and Registered Auditors

INDEPENDENT AUDITORS' REPORT TO DOUGHTY BROTHERS LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 2 to 5 together with the financial statements of Doughty Brothers Limited for the year ended 30th June 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements 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 procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 5 are properly prepared in accordance with those provisions.

12-12-01 W.H. 12-12-01 CRD

Knipe Whiting Heath Limited
Chartered Certified Accountants and Registered Auditors
2 Blackfriars Street
Hereford
HR4 9HS
Date: 4 April 2002

Knipe Whiting Heath Limited

Chartered Certified Accountants and Registered Auditors

DOUGHTY BROTHERS LIMITED

ABBREVIATED BALANCE SHEET

AS AT 30TH JUNE 2001

	Notes	£	2001 £	£	2000 £
Fixed assets	2				
Tangible fixed assets			32,494		8,028
Current assets					
Stock		179,571		178,639	
Debtors		9,885		5,737	
Cash at bank and in hand		49,966		19,694	
		239,422		204,070	
Creditors: amounts falling due within one year	3	(123,276)		(113,206)	
Net current assets			116,146		90,864
Total assets less current liabilities			148,640		98,892
Creditors: amounts falling due after more than one year			(601)		-
			148,039		98,892
Capital and reserves					
Share capital	4		17,800		17,800
Other reserves			12,400		12,400
Profit and loss account			117,839		68,692
Shareholders' funds			148,039		98,892

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

These abbreviated financial statements were approved by the board on 4 April 2002 and signed on its behalf by:


J E H Doughty
Director

Knipe Whiting Heath Limited

Chartered Certified Accountants and Registered Auditors

DOUGHTY BROTHERS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2001

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Cash flow statement

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

Tangible fixed assets and depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation, less any residual value, over their estimated useful lives as follows:

Leasehold property improvements	20% reducing balance basis
Motor vehicles	20% reducing balance basis
Fixtures and fittings	25% straight line basis

Depreciation on leasehold property is provided by equal annual instalments calculated to write off the cost over its estimated useful life.

Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost is ascertained on the basis consistent with previous years.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

Contribution to pension funds

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Knipe Whiting Heath Limited

Chartered Certified Accountants and Registered Auditors

DOUGHTY BROTHERS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2001

Hire purchase and leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet at their fair value and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Operating leases

Rentals paid under operating leases are charged to income as incurred.

2 Fixed assets

	Tangible fixed assets £	Total £
Cost		
At 1st July 2000	42,316	42,316
Additions	35,422	35,422
Disposals	(15,882)	(15,882)
At 30th June 2001	61,856	61,856
Depreciation and amortisation		
At 1st July 2000	34,288	34,288
Charge for the year	10,654	10,654
On disposals	(15,580)	(15,580)
At 30th June 2001	29,362	29,362
Net book value		
At 30th June 2001	32,494	32,494
<i>At 30th June 2000</i>	<i>8,028</i>	<i>8,028</i>

3 Secured creditors

Included within creditors are secured creditors amounting to £4,290 (2000: nil) The liabilities under hire purchase contracts are secured on the assets concerned.

Knipe Whiting Heath Limited

Chartered Certified Accountants and Registered Auditors

DOUGHTY BROTHERS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2001

4	Share capital	2001	2000
		£	£
	Authorised		
	12,500 Ordinary shares of £1.00 each	12,500	<i>12,500</i>
	12,500 Deferred ordinary shares of £1.00 each	12,500	<i>12,500</i>
		25,000	<i>25,000</i>
	Allotted		
	8,900 Allotted, called up and fully paid ordinary shares of £1.00 each	8,900	<i>8,900</i>
	8,900 Allotted, called up and fully paid deferred ordinary shares of £1.00 each	8,900	<i>8,900</i>
		17,800	<i>17,800</i>

The deferred ordinary shares have no rights to a distribution of profits in any financial year ending 31 December 2002. They are irredeemable and have no voting rights. On a return of assets in a liquidation or otherwise the deferred shareholders will be paid the amount paid up on such shares.

5 Transactions with directors

Creditors include the following amounts which are owed to the directors of the company :

J E H and Mrs R M Doughty £7,678