

**GISSING & LONSDALE LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**FOR**  
**30 JUNE 2002**

**HARGREAVES, BROWN & BENSON**  
Chartered Accountants & Registered Auditors  
2 Derby Street  
Colne  
Lancashire  
BB8 9AD



**GISSING & LONSDALE LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**PERIOD FROM 1 SEPTEMBER 2001 TO 30 JUNE 2002**

| <b>CONTENTS</b>                               | <b>PAGE</b> |
|-----------------------------------------------|-------------|
| Independent auditors' report to the company   | <b>1</b>    |
| Abbreviated balance sheet                     | <b>2</b>    |
| Notes to the abbreviated financial statements | <b>3</b>    |

# GISSING & LONSDALE LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE COMPANY

### PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the period from 1 September 2001 to 30 June 2002 prepared under Section 226 of the Companies Act 1985.

#### RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

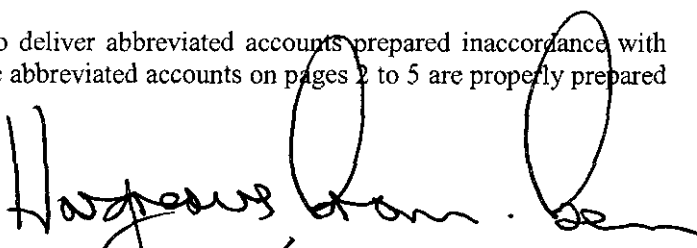
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (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 report our opinion to you.

#### BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the 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 Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

A handwritten signature in black ink, appearing to read 'Hargreaves, Brown & Benson', with a large circular flourish at the end.

2 Derby Street  
Colne  
Lancashire  
BB8 9AD  
16 December 2002

HARGREAVES, BROWN & BENSON  
Chartered Accountants  
& Registered Auditors

**GISSING & LONSDALE LIMITED****ABBREVIATED BALANCE SHEET****30 JUNE 2002**

|                                                                | Note     | 30 Jun 02<br>£   | £               | 31 Aug 01<br>£   | £               |
|----------------------------------------------------------------|----------|------------------|-----------------|------------------|-----------------|
| <b>FIXED ASSETS</b>                                            | <b>2</b> |                  |                 |                  |                 |
| Tangible assets                                                |          |                  | 158,228         |                  | 149,749         |
| Investments                                                    |          |                  | 25,333          |                  | 45,049          |
|                                                                |          |                  | <u>183,561</u>  |                  | <u>194,798</u>  |
| <b>CURRENT ASSETS</b>                                          |          |                  |                 |                  |                 |
| Stocks                                                         |          | 179,315          |                 | 238,824          |                 |
| Debtors                                                        |          | 536,580          |                 | 364,608          |                 |
| Cash at bank and in hand                                       |          | 1,884            |                 | 1,433            |                 |
|                                                                |          | <u>717,779</u>   |                 | <u>604,865</u>   |                 |
| <b>CREDITORS: Amounts falling due within one year</b>          | <b>3</b> | <b>(624,893)</b> |                 | <b>(536,667)</b> |                 |
| <b>NET CURRENT ASSETS</b>                                      |          |                  | <b>92,886</b>   |                  | <b>68,198</b>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |          |                  | <b>276,447</b>  |                  | <b>262,996</b>  |
| <b>CREDITORS: Amounts falling due after more than one year</b> |          |                  | <b>(11,546)</b> |                  | <b>-</b>        |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES</b>                  |          |                  | <b>-</b>        |                  | <b>(14,621)</b> |
|                                                                |          |                  | <u>264,901</u>  |                  | <u>248,375</u>  |
| <b>CAPITAL AND RESERVES</b>                                    |          |                  |                 |                  |                 |
| Called-up equity share capital                                 | <b>4</b> |                  | 2,000           |                  | 2,000           |
| Profit and Loss Account                                        |          |                  | 262,901         |                  | 246,375         |
| <b>SHAREHOLDERS' FUNDS</b>                                     |          |                  | <u>264,901</u>  |                  | <u>248,375</u>  |

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 16 December 2002 and are signed on their behalf by:

W. T. Gissing



**GISSING & LONSDALE LIMITED****NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****PERIOD FROM 1 SEPTEMBER 2001 TO 30 JUNE 2002****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).

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

|                     |   |                         |
|---------------------|---|-------------------------|
| Leasehold Property  | - | 5% on cost              |
| Plant & Machinery   | - | 25% on reducing balance |
| Fixtures & Fittings | - | 15% reducing balance    |
| Motor Vehicles      | - | 25% on reducing balance |

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

# GISSING & LONSDALE LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

PERIOD FROM 1 SEPTEMBER 2001 TO 30 JUNE 2002

### 1. ACCOUNTING POLICIES *(continued)*

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

\* provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

\* provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

\* deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 2. FIXED ASSETS

|                        | Tangible<br>Assets<br>£ | Investments<br>£ | Total<br>£     |
|------------------------|-------------------------|------------------|----------------|
| <b>COST</b>            |                         |                  |                |
| At 1 September 2001    | 631,747                 | 45,049           | 676,796        |
| Additions              | 26,607                  | 1,816            | 28,423         |
| Disposals              | (19,260)                | (21,532)         | (40,792)       |
| <b>At 30 June 2002</b> | <b>639,094</b>          | <b>25,333</b>    | <b>664,427</b> |
| <b>DEPRECIATION</b>    |                         |                  |                |
| At 1 September 2001    | 481,998                 | —                | 481,998        |
| Charge for period      | 15,719                  | —                | 15,719         |
| On disposals           | (16,851)                | —                | (16,851)       |
| <b>At 30 June 2002</b> | <b>480,866</b>          | <b>—</b>         | <b>480,866</b> |
| <b>NET BOOK VALUE</b>  |                         |                  |                |
| <b>At 30 June 2002</b> | <b>158,228</b>          | <b>25,333</b>    | <b>183,561</b> |
| At 31 August 2001      | 149,749                 | 45,049           | 194,798        |

**GISSING & LONSDALE LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**PERIOD FROM 1 SEPTEMBER 2001 TO 30 JUNE 2002**

**2. FIXED ASSETS** *(continued)*

**3. CREDITORS: Amounts falling due within one year**

The following liabilities disclosed under creditors falling due within one year are secured by the company:

|                           | 30 Jun 02      | 31 Aug 01      |
|---------------------------|----------------|----------------|
|                           | £              | £              |
| Bank loans and overdrafts | <u>248,262</u> | <u>222,921</u> |

**4. SHARE CAPITAL**

**Authorised share capital:**

|                                   | 30 Jun 02     | 31 Aug 01     |
|-----------------------------------|---------------|---------------|
|                                   | £             | £             |
| 50,000 Ordinary shares of £1 each | <u>50,000</u> | <u>50,000</u> |

**Allotted, called up and fully paid:**

|                        | 30 Jun 02    | 31 Aug 01    |
|------------------------|--------------|--------------|
|                        | £            | £            |
| Ordinary share capital | <u>2,000</u> | <u>2,000</u> |