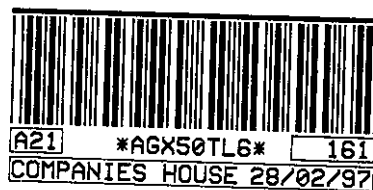


**HOBS SWALLOW AND HICKS LIMITED**  
**REGISTERED NUMBER: 00511368**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 30 APRIL 1996**



## **HOBBS SWALLOW AND HICKS LIMITED**

### **AUDITORS' REPORT TO THE DIRECTORS OF HOBBS SWALLOW AND HICKS LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985.**

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We have examined the abbreviated financial statements on pages 3 to 6 together with the full financial statements of Hobs Swallow and Hicks Limited prepared under section 226 of the Companies Act 1985 for the year ended 30 April 1996.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

#### **BASIS OF OPINION**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

#### **OTHER INFORMATION**

On 10 December 1996 we reported, as auditors of Hobs Swallow and Hicks Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 April 1996, and our audit report was as follows:

"We have audited the financial statements, on pages 6 to 12, 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.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 3 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.

## HOBS SWALLOW AND HICKS LIMITED

### AUDITORS' REPORT TO THE DIRECTORS OF HOBS SWALLOW AND HICKS LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985.

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(Full text of the audit report to the members of Hobs Swallow and Hicks Limited continued)

#### OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 April 1996 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act, 1985."

#### OPINION ON THE ABBREVIATED FINANCIAL STATEMENTS

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by section A of Part III of Schedule 8 to that Act in respect of the year ended 30 April 1996 and the abbreviated financial statements on pages 3 to 6 have been properly prepared in accordance with that Schedule.



Horwath Bastow Charleton  
Chartered Accountants and Registered Auditors  
Marine House  
Clanwilliam Court  
Dublin 2  
Ireland

Date: 10 December 1996.

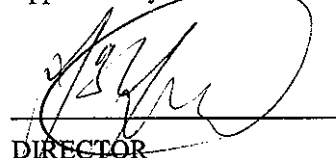
# HOBS SWALLOW AND HICKS LIMITED

## ABBREVIATED BALANCE SHEET AS AT 30 APRIL 1996

|                                                        | Note | 1996<br>£ | 1995<br>£ |
|--------------------------------------------------------|------|-----------|-----------|
| <b>FIXED ASSETS</b>                                    |      |           |           |
| Tangible assets                                        | 2    | 404,385   | 282,881   |
| <b>CURRENT ASSETS</b>                                  |      |           |           |
| Stocks                                                 |      | 148,336   | 123,439   |
| Debtors                                                |      | 838,897   | 657,424   |
| Cash at bank and in hand                               |      | 53,855    | 120,881   |
|                                                        |      | 1,041,088 | 901,744   |
| <b>CREDITORS (Amounts falling due within one year)</b> |      | (633,778) | (468,723) |
| <b>NET CURRENT ASSETS</b>                              |      | 407,310   | 433,021   |
| <b>TOTAL NET ASSETS</b>                                |      | 811,695   | 715,902   |
| <b>CAPITAL AND RESERVES</b>                            |      |           |           |
| Called up share capital                                | 3    | 1,000     | 1,000     |
| Profit and loss account                                |      | 810,695   | 714,902   |
| <b>SHAREHOLDERS' FUNDS</b>                             |      | 811,695   | 715,902   |

Advantage is taken of the exemptions conferred by section A of Part III of Schedule 8 to the Companies Act 1985. In the directors' opinion, the company is entitled to those exemptions having met the qualifications for a small company specified in sections 246 and 247 of the Companies Act 1985.

Approved by the board of directors on 10 December 1996 and signed on its behalf by:

  
 \_\_\_\_\_  
 DIRECTOR

The notes on pages 4 to 6 form part of these accounts.

## HOBS SWALLOW AND HICKS LIMITED

### NOTES TO AND FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1996

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#### 1. ACCOUNTING POLICIES

The following accounting policies are applied consistently in dealing with items which are considered material in relation to the company's financial statements.

##### 1.1 BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention.

##### 1.2 TURNOVER

Turnover represents the invoiced amount of goods and services sold, net of trade discounts and value added tax.

##### 1.3 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated in the balance sheet at cost less accumulated depreciation.

Provision is made for depreciation on all tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life at the following annual rates:

|                        |     |
|------------------------|-----|
| Leasehold improvements | 20% |
| Plant and machinery    | 20% |
| Fixtures and fittings  | 20% |
| Motor vehicles         | 25% |

##### 1.4 STOCKS

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

Cost includes all expenditure which has been incurred in the normal course of business in bringing the products to their present location and condition.

Net realisable value is the actual or estimated selling price net of trade discounts, less all further cost to completion and all costs to be incurred in realising the selling price.

##### 1.5 PENSIONS

The company's parent undertaking operates a defined benefit scheme and the expected cost of providing pensions to employees is charged to the profit and loss account as incurred over the period of employment of pensionable employees. The cost is calculated, with the benefit of advice from independent actuaries, at what is expected to be a reasonably stable proportion of pensionable pay.

##### 1.6 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in a foreign currency are translated into Sterling at the exchange rate ruling at the balance sheet date, unless specifically covered by forward exchange contracts, whereupon the contract rate is used. Revenues, costs and non-monetary assets are translated at the exchange rates ruling at the dates of the transactions.

All foreign exchange profits or losses are dealt with through the profit and loss account.

# HOBS SWALLOW AND HICKS LIMITED

## NOTES TO AND FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS CONTINUED

### 1. ACCOUNTING POLICIES CONTINUED

#### 1.7 DEFERRED TAXATION

Deferred taxation is provided on timing differences to the extent that it is expected to become payable in the foreseeable future.

Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements.

### 2. TANGIBLE FIXED ASSETS

|                       | Leasehold<br>Improvements<br>£ | Plant &<br>Machinery<br>£ | Fixtures &<br>Fittings<br>£ | Motor<br>Vehicles<br>£ | Total<br>£ |
|-----------------------|--------------------------------|---------------------------|-----------------------------|------------------------|------------|
| <b>COST</b>           |                                |                           |                             |                        |            |
| At 1 May 1995         | 89,912                         | 584,015                   | 42,167                      | 99,147                 | 815,241    |
| Additions             | 23,315                         | 229,989                   | 11,825                      | -                      | 265,129    |
| Disposals             | -                              | (24,486)                  | -                           | -                      | (24,486)   |
| At 30 April 1996      | 113,227                        | 789,518                   | 53,992                      | 99,147                 | 1,055,884  |
| <b>DEPRECIATION</b>   |                                |                           |                             |                        |            |
| At 1 May 1995         | 57,664                         | 408,520                   | 30,862                      | 35,314                 | 532,360    |
| Charge for the year   | 13,805                         | 96,430                    | 9,390                       | 24,000                 | 143,625    |
| Disposals             | -                              | (24,486)                  | -                           | -                      | (24,486)   |
| At 30 April 1996      | 71,469                         | 480,464                   | 40,252                      | 59,314                 | 651,499    |
| <b>NET BOOK VALUE</b> |                                |                           |                             |                        |            |
| At 30 April 1996      | 41,758                         | 309,054                   | 13,740                      | 39,833                 | 404,385    |
| At 30 April 1995      | 32,248                         | 175,495                   | 11,305                      | 63,833                 | 282,881    |

### 3. CALLED UP SHARE CAPITAL

|                                    | 1996<br>IR£ | 1995<br>IR£ |
|------------------------------------|-------------|-------------|
| Ordinary shares of £1 each:        |             |             |
| Authorised                         | 16,000      | 1,000       |
| Allotted, called up and fully paid | 1,000       | 1,000       |

## **HOBBS SWALLOW AND HICKS LIMITED**

### **NOTES TO AND FORMING PART OF THE ABBREVIATED FINANCIAL STATEMENTS CONTINUED**

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#### **4. GROUP STRUCTURE AND OTHER INFORMATION**

The company is a wholly owned subsidiary of Hobs (Drawing Office Services) Limited, a company registered in England.

Vesontio Limited, a company incorporated in the Republic of Ireland, is the ultimate parent company.