

**AUDITORS REPORT TO THE DIRECTORS OF G H SUTTON LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

Registered No: 550331

We have examined the abbreviated financial statements set out on pages 2 to 4, together with the financial statements of the company for the year ended 7 June 2000 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 report our opinion to you.

Basis of Opinion

We have carried out the procedure 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 financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements of pages 2 to 4 are properly prepared in accordance with those provisions.

Barker Maule & Co

BARKER MAULE & CO
Accountants and Registered Auditors
27 & 33 Castlegate
Newark
Notts
NG24 1BA

14 December 2000



G H SUTTON LIMITED

Abbreviated Balance Sheet as at 7 June 2000

<u>1999</u>		<u>Notes</u>	<u>2000</u>
	Fixed Assets:		
1812843	Tangible Assets:	(2)	1850019
<u>230989</u>	Investments		<u>265501</u>
2043832			2115520
	Current Assets:		
218659	Stocks	212792	
176055	Debtors	135878	
<u>2862</u>	Cash at Bank and in Hand	<u>3</u>	
397576		348673	
	Creditors:		
<u>724279</u>	Amounts falling due within one year	<u>630687</u>	
<u>(326703)</u>	Net Current (Liabilities)		<u>(282014)</u>
1717129	Total Assets less Current Liabilities		1833506
	Creditors:		
<u>-</u>	Amounts falling due after more than one year		<u>17000</u>
£ 1717129			£ 1816506
	Capital and Reserves		
1000	Called up Share Capital	(3)	1000
<u>1716129</u>	Profit and Loss Account		<u>1815506</u>
£ 1717129			£ 1816506

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

ON BEHALF OF THE BOARD:

Director.....
R W Sutton

14 December 2000

G H SUTTON LIMITED

Notes to the Abbreviated Financial Statements for the year ended 7 June 2000

1. ACCOUNTING POLICIES

Accounting Conventions

The financial statements have been prepared under the historical cost convention.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Buildings	10% straight line
Plant and Equipment	25% reducing balance
Motor Vehicles	25% reducing balance
Office Equipment	25% reducing balance

Stock

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

Leased Assets

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases") the assets are treated as if they had been purchased outright. The amount capitalised is the fair value of the asset concerned. The corresponding liability to the leasing company is included as an obligation under finance leases. Depreciation on leased assets is charged to the profit and loss account over the shorter of the lease terms and their useful lives.

Leasing payments are treated as consisting of capital and interest elements, and interest is charged to the profit and loss account on a straight line basis which is considered to be a reasonable approximation to a constant rate of charge on the outstanding balance. All other leases are treated as "operating leases" and the relevant annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

Pension Costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions payable for the period by the company to the fund.

G H SUTTON LIMITED

Notes to the Abbreviated Financial Statements for the year ended 7 June 2000

2. TANGIBLE FIXED ASSETS

	<u>Total</u> £
Cost:	
As at: 8 June 1999	2192309
Additions	102107
Disposals	<u>(800)</u>
As at: 7 June 2000	<u>2293616</u>
Depreciation:	
As at: 8 June 1999	379466
Charge for the year	64331
Disposals	<u>(200)</u>
As at: 7 June 2000	<u>443597</u>
Net Book Value:	
As at: 7 June 2000	<u>1850019</u>
As at: 7 June 1999	<u>1812843</u>

3. SHARE CAPITAL

	<u>2000</u> £	<u>1999</u> £
Authorised:		
Ordinary Shares of £1 each	<u>5000</u>	<u>5000</u>
	<u>2000</u> £	<u>1999</u> £
Allotted, called up and fully paid:		
Ordinary Shares of £1 each	<u>1000</u>	<u>1000</u>