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CLEGG AND BROOKING LIMITED

730208/51

Auditors Report to the Directors of Clegg and Brooking Limited
and to the Registrar of Companies under Schedule 8 part 1 of the
Companies Act 1985

As Auditors of Clegg and Brooking Limited we reported under
Section 226 of the Companies Act 1985 on the financial statements
of the Company prepared under Section 227 of the Companies
Act 1985 for the year ended 30th November 1985 as follows:

We have audited the financial statements on pages 1 to 8
in accordance with approved auditing standards.

In our opinion the financial statements, which have been
prepared under the historical cost convention, give a true
and fair view of the state of affairs of the Company at 30th
November 1985 and of its Loss and Source and Application
of Funds for the year then ended and comply with the Companies
Act 1985.

We have examined the modified accounts on pages 1 and 2 which
have been properly prepared from the financial statements
of the Company under Schedule 8 part 1 of the Companies Act 1985
for the year ended 30th November 1985 in the manner permitted
for a small company under Section 247 - 249 of the Companies
Act 1985.

In our opinion, the Directors are entitled to deliver accounts
in a modified form under Section 248 of the Companies Act 1985.

27th March 1986

Anton House,
47 Bridge Street,
Andover,
Hampshire.

Harris Walters
HARRIS WALTERS
Chartered Accountants



CLEGG AND BROOKING LIMITED

1.

MODIFIED BALANCE SHEET AS AT 30TH NOVEMBER 1985

	<u>1985</u>	<u>1984</u>
<u>FIXED ASSETS</u>		
Tangible Assets	192794	189835
<u>CURRENT ASSETS</u>		
Stocks	15997	15455
Debtors due within one year	13141	12391
Cash on Deposit	1442	1968
Cash on Hand	2965	1925
	<u>33545</u>	<u>31739</u>
Creditors falling due within one year	<u>78546</u>	<u>(45001)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>	<u>147793</u>	<u>(38746)</u>
Creditors falling due after one year	<u>18483</u>	<u>15465</u>
	<u>£129310</u>	<u>£135624</u>
	=====	=====
<u>CAPITAL AND RESERVES</u>		
Called Up Share Capital	2000	2000
Other Reserves	145587	146587
Profit and Loss Account	<u>(19277)</u>	<u>(12963)</u>
	<u>£129310</u>	<u>£135624</u>
	=====	=====

The Directors have relied on the exemptions for individual financial statements contained in Section 249 and Schedule 8 of the Companies Act 1985 because, under that Act, the Company is entitled to benefit from those exemptions as a small company.

.....*Alan*.....Director
.....*R.R. Brooking*.....Director

CLEGG AND BROOKING LIMITEDNOTES TO THE MODIFIED ACCOUNTS
FOR THE YEAR ENDED 30TH NOVEMBER 19851. ACCOUNTING POLICIESBasis of Accounting

The Accounts have been prepared under the historical cost convention, with exception of freehold land and buildings which are stated at revalued amounts.

Intangible Assets and Depreciation

Goodwill was finally written off during the previous accounting period.

Tangible Fixed Assets and Depreciation

Depreciation is being charged on a reducing balance basis at the following rates:

Plant, Fixtures, Fittings and Furniture	10%
Motor Vehicles	25%

Depreciation is being charged on a straight line basis at the following rates:

Freehold Buildings	2%
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Total depreciation of fixed assets for the year amounts to £9691 (1983 £8740).

Stocks

Stocks have been valued at the lower of cost or net realisable value.

Deferred Taxation

Deferred Taxation has not been provided because, in the opinion of the Directors, the tax is not liable to be payable by the Company whilst it maintains its present Fixed Assets and Stocks levels. If deferred taxation were to become payable, its value when calculated on the liability method to take into account timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes would be estimated as follows:

Due to Stock Relief	£nil =====
Due to Capital Allowances	£nil =====

2. SHARE CAPITAL

Authorised £1 Ordinary Shares	£2000 =====
Issued £1 Ordinary Shares	£2000 =====

2

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5

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