

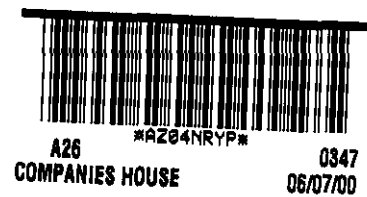
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Fentons of Bourne Limited

Abbreviated Financial Statements

for the year ended 31st December 1999



Auditors' Report to Fentons of Bourne Limited under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of the company for the year ended 31st December 1999 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and 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 to 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.

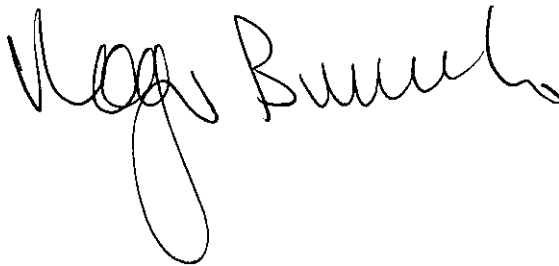
Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

Roger Burman & Co
Registered Auditors
and Chartered Accountants

Elgin House
42 Westgate
Sleaford
Lincs
NG34 7PN

2nd May 2000



Fentons of Bourne Limited

Abbreviated Balance Sheet

As At 31st December 1999

	Notes	1999 £	1999 £	1998 £	1998 £
Fixed Assets					
Tangible fixed assets	2		170,616		189,609
Current Assets					
Stock		168,099		194,812	
Debtors		87,460		74,487	
		255,559		269,299	
Creditors:					
Amounts falling due within one year		(250,736)		(271,400)	
Net Current Assets/(Liabilities)			4,823		(2,101)
Total Assets Less Current Liabilities			175,439		187,508
Creditors:					
Amounts falling due after more than one year			-		(24,299)
			175,439		163,209
Capital and Reserves					
Share capital	3		12,000		12,000
Revaluation reserve			77,459		77,459
Profit and loss account			85,980		73,750
			175,439		163,209

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

The accounts were approved by the board on 2nd May 2000.

M G Beale y.

Directors

[Signature]

1 Principal Accounting Policies

Accounting Convention

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention, modified to include the revaluation of certain fixed assets.

Cash Flow Statement

In the opinion of the directors the company qualifies as a small company and accordingly a cash flow statement is not required.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

No depreciation is provided on freehold land.

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets, other than freehold land, over their expected useful lives. The rates generally applicable are:

Freehold land and buildings	4% straight line
Motor vehicles	25% reducing balance

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal. It is the company's policy to provide for all parts stock held for three years or more, on the basis that this adequately represents the value of damaged, obsolescent and slow-moving items.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet 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.

2 Fixed Assets

	Tangible Fixed Assets £
Cost	
At 1st January 1999	262,357
Additions	7,038
Disposals	(16,495)
At 31st December 1999	<u>252,900</u>
Depreciation and amortisation	
At 1st January 1999	72,749
Provided for in the year	16,468
Disposals	(6,933)
At 31st December 1999	<u>82,284</u>
Net Book Value	
At 31st December 1999	<u>170,616</u>
At 31st December 1998	<u>189,608</u>

3 Share Capital

Authorised	1999 £	1998 £
100,000 Ordinary shares of £1 each (1998: 100,000)	<u>100,000</u>	<u>100,000</u>
	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid	1999 £	1998 £
Ordinary shares of £1 each	<u>12,000</u>	<u>12,000</u>