

DISTEC LIMITED
ABBREVIATED FINANCIAL STATEMENTS
30th JUNE 1998

TEASDALES

Chartered Accountants & Registered Auditors
Charlton House
Chester Road
Manchester
M16 0GW



DISTEC LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 1998

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DISTEC LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of the company for the year ended 30th June 1998 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.

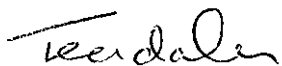
BASIS OF OPINION

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 4 are properly prepared in accordance with those provisions.

Charlton House
Chester Road
Manchester
M16 0GW


TEASDALES
Chartered Accountants
& Registered Auditors

18 September 1998

DISTEC LIMITED

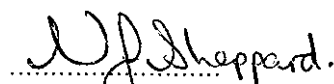
ABBREVIATED BALANCE SHEET

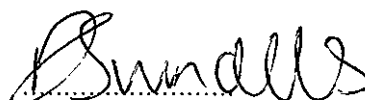
30th JUNE 1998

	Note	1998	1997
		£	£
FIXED ASSETS	2		
Tangible assets		27,335	7,846
CURRENT ASSETS			
Stocks		21,857	25,941
Debtors		173,600	127,611
Cash at bank and in hand		93,589	106,364
		289,046	259,916
CREDITORS: Amounts falling due within one year		(178,310)	(157,494)
NET CURRENT ASSETS		110,736	102,422
TOTAL ASSETS LESS CURRENT LIABILITIES		138,071	110,268
CAPITAL AND RESERVES			
Called-up equity share capital	3	100	100
Profit and loss account		137,971	110,168
SHAREHOLDERS' FUNDS		138,071	110,268

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 18TH SEPTEMBER 98 and are signed on their behalf by:


MR N F SHEPPARD


MR A J SWINDELLS

The notes on pages 3 to 4 form part of these financial statements.

DISTEC LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 1998

1. ACCOUNTING POLICIES

Basis of accounting

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

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

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

Goodwill

Purchased goodwill is written off immediately against reserves. Goodwill which is generated by the activities of the company is not recognised as an asset in the balance sheet and the associated costs are written off to the profit and loss account when they are incurred.

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:

Fixtures & fittings	15-33% on 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.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits as incurred.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

DISTEC LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 1998

2. FIXED ASSETS

	Tangible Fixed Assets £
COST	
At 1st July 1997	19,087
Additions	31,763
Disposals	(1,235)
At 30th June 1998	<u>49,615</u>
DEPRECIATION	
At 1st July 1997	11,241
Charge for year	11,719
On disposals	(680)
At 30th June 1998	<u>22,280</u>
NET BOOK VALUE	
At 30th June 1998	<u>27,335</u>
At 30th June 1997	<u>7,846</u>

3. SHARE CAPITAL

Authorised share capital:

	1998 £	1997 £
2,000 Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>

Allotted, called up and fully paid:

	1998 £	1997 £
Ordinary share capital	<u>100</u>	<u>100</u>