

HEDON HIRE LIMITED

ABBREVIATED ACCOUNTS

30TH SEPTEMBER, 1995

SMAILES, GOLDIE & CO.,
Chartered Accountants.



Company Number 02727310

ACCOUNTANTS' REPORT TO THE MEMBERS OF HEDON HIRE LIMITED

The director has taken advantage of the exemption from audit conferred by subsection 2 of Section 249A of the Companies Act 1985.

On 31st May, 1996 we reported as accountants in accordance with Section 249C of the Companies Act 1985 in respect of the year ended 30th September, 1995, and our report was as follows:

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND REPORTING ACCOUNTANTS

As described on page 1 the company's director is responsible for the preparation of the accounts, and he believes that the company is exempt from an audit.

In accordance with his instructions and in order to assist the director to fulfil his responsibility we have prepared, without carrying out an audit, the accounts on pages 3 to 10 from the accounting records and from information and explanations supplied to us. We do not provide any assurance that the accounts show a true and fair view, which remains the sole responsibility of the director.

It is our responsibility to examine the accounts and, based on our examination, to report our opinion, as set out below, to the shareholders.

BASIS OF OPINION

We conducted our examination in accordance with the appropriate standards for reporting accountants issued by the Auditing Practices Board.

The examination was not an audit conducted in accordance with Auditing Standards. Accordingly we do not express an audit opinion on the accounts. Therefore our examination does not provide any assurance that the accounting records and the accounts are free from material misstatement.

OPINION

In our opinion:

- a) the accounts are in agreement with those accounting records kept by the company under Section 221 of the Companies Act 1985;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act; and
 - ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in Section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1) (a) to (f).

Frank Goldie

SMAILES, GOLDIE & CO.

31st May, 1996.
Station Court,
St. Stephen's Square,
Hull, HU1 3XL

Chartered Accountants

HEDON HIRE LIMITED

ABBREVIATED BALANCE SHEET AT 30TH SEPTEMBER, 1995

	<u>Note</u>	<u>1995</u>	<u>1994</u>
		£	£
Fixed assets	2	158,413	194,102
Current assets			
Stocks		23,473	25,808
Debtors		42,056	68,666
		<u>65,529</u>	<u>94,474</u>
Creditors: amounts falling due within one year	3		
Creditors		107,589	128,835
Bank overdraft		49,476	68,270
		<u>157,065</u>	<u>197,105</u>
Net current liabilities		(91,536)	(102,631)
Total assets less current liabilities		66,877	91,471
Creditors: amounts falling due after more than one year	3	59,607	71,349
Provision for liabilities and charges		-	810
		<u>£ 7,270</u>	<u>£ 19,312</u>
Capital and reserves			
Called up share capital	4	100	100
Profit and loss account		7,170	19,212
		<u>£ 7,270</u>	<u>£ 19,312</u>

The director is satisfied that the company was entitled to exemption under subsection 2 of Section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to subsection 2 of Section 249B in relation to the accounts for the financial year.

The director acknowledges his responsibilities for:

- i) ensuring that the company keeps accounting records which comply with Section 221; and
- ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with requirements of this Act relating to accounts, so far as applicable to the company.

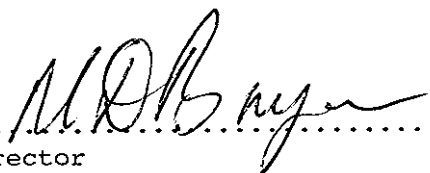
(continued overleaf)

HEDON HIRE LIMITED

ABBREVIATED BALANCE SHEET AT 30TH SEPTEMBER, 1995 (CONTINUED)

The director has taken advantage of the exemptions conferred by Part III of Schedule 8 of the Companies Act 1985 and has done so on the grounds that, in his opinion, the company is entitled to those exemptions as a small company.

In the preparation of the company's annual accounts the director has taken advantage of special exemptions conferred by Part I of Schedule 8 of the Companies Act 1985 and has done so on the grounds that, in his opinion, the company is entitled to those exemptions as a small company.

.....  M. D. BRYAN
Director

Approved by the Board on 31st May, 1996.

The annexed notes form part of these abbreviated accounts.

HEDON HIRE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER, 1995

1. Accounting policies

The principal accounting policies have remained unchanged from the previous year and are set out below.

a) Basis of preparation of financial statements

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

b) Turnover

Turnover is the amount excluding value added tax receivable in the ordinary course of business for goods supplied as a principal and for services provided.

c) Depreciation

Depreciation is calculated to write down the cost or valuation of all fixed assets on a straight line basis over their expected useful lives as follows:

Freehold land and buildings	25 years
Fixtures, fittings and hire equipment	5 years
Office equipment	10 years
Motor vehicles	4 years

d) Leases and hire purchase contracts

Assets acquired under finance leases and hire purchase contracts are treated as fixed assets. The amount capitalised is the present value of the minimum lease payments payable during the lease term. Depreciation is charged to the profit and loss account in accordance with the normal depreciation policy over the shorter of the lease term and the useful life of the assets.

The corresponding lease commitments are shown as liabilities. The interest element of rental obligation is charged to the profit and loss account over the period of the lease on a straight line basis. Rentals payable under operating leases are charged to the profit and loss account over the period of the lease on a straight line basis.

e) Stocks

Stock is stated at the lower of cost and net realisable value as adjusted for obsolete items. Cost represents that expenditure which has been incurred in the normal course of business in bringing the product or service to its present location and condition.

Net realisable value means estimated selling price less all further costs to completion and all costs to be incurred in marketing, selling and distribution.

HEDON HIRE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER, 1995

1. Accounting policies (continued)

(f) Deferred taxation

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the accounts. Provision is made for deferred taxation on the liability method to the extent that the liability is expected to be payable in the foreseeable future.

2. Fixed assets	Tangible fixed assets
	<u>£</u>
Cost or valuation:	
At 1st October, 1994	253,729
Additions	20,540
Disposals	(15,139)
At 30th September, 1995	259,130
Depreciation:	
At 1st October, 1994	59,627
Charge for year	41,090
At 30th September, 1995	100,717
Net book value:	
At 30th September, 1995	£ 158,413
At 30th September, 1994	£ 194,102

3. Creditors

Creditors include the following:

	<u>1995</u> £	<u>1994</u> £
Bank loan not wholly repayable within five years		
repayable within five years	69,343	60,543
repayable after five years	2,237	7,253
	£ 71,580	£ 67,796

HEDON HIRE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER, 1995

4. Called up share capital

	<u>Authorised</u>		<u>Allotted, called up and fully paid</u>	
	<u>1995</u> <u>No.</u>	<u>1994</u> <u>No.</u>	<u>1995</u> <u>£</u>	<u>1994</u> <u>£</u>
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>£ 100</u>	<u>£ 100</u>