

**Hedon Hire Limited**

**Abbreviated Accounts**

**30th September, 1997**



**Smailes, Goldie & Co.**  
Chartered Accountants.

# Hedon Hire Limited

## 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 19th June, 1998 we reported as accountants in accordance with Section 249C of the Companies Act 1985 in respect of the year ended 30th September, 1997, and our report was as follows:

### Respective responsibilities of the director and reporting accountants

As described on page 6 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 12 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

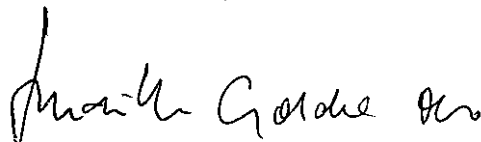
We conducted our examination in accordance with the appropriate standards for reporting accountants issued by the Auditing Practices Board.

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).



### Smailes, Goldie & Co.

Chartered Accountants

Hull, HU1 3XL

19th June, 1998

# Hedon Hire Limited

## Abbreviated Balance Sheet

at 30th September, 1997

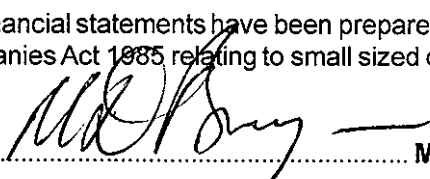
|                                                                | Note | 1997           |                | 1996           |                |
|----------------------------------------------------------------|------|----------------|----------------|----------------|----------------|
|                                                                |      | £              | £              | £              | £              |
| <b>Fixed assets</b>                                            | 2    |                | 112,436        |                | 141,173        |
| <b>Current assets</b>                                          |      |                |                |                |                |
| Stocks                                                         |      | 20,729         |                | 20,384         |                |
| Debtors                                                        |      | <u>50,074</u>  |                | <u>39,338</u>  |                |
|                                                                |      | <u>69,803</u>  |                | <u>59,722</u>  |                |
| <b>Creditors: amounts falling due within one year</b>          | 3    |                |                |                |                |
| Creditors                                                      |      | 68,766         |                | 92,717         |                |
| Bank overdraft                                                 |      | <u>71,259</u>  |                | <u>55,244</u>  |                |
|                                                                |      | <u>140,025</u> |                | <u>147,961</u> |                |
| <b>Net current liabilities</b>                                 |      |                | (70,222)       |                | (88,239)       |
| <b>Total assets less current liabilities</b>                   |      |                | 42,214         |                | 52,934         |
| <b>Creditors: amounts falling due after more than one year</b> | 3    |                | (35,049)       |                | (45,263)       |
| <b>Provision for liabilities and charges</b>                   |      |                | -              |                | -              |
|                                                                |      |                | 7,165          |                | 7,671          |
| <b>Capital and reserves</b>                                    |      |                |                |                |                |
| Called up share capital                                        | 4    |                | 100            |                | 100            |
| Revaluation reserve                                            |      |                | 8,345          |                | 8,693          |
| Profit and loss account                                        |      |                | <u>(1,280)</u> |                | <u>(1,122)</u> |
|                                                                |      |                | 7,165          |                | 7,671          |

The director is satisfied that the company was entitled to exemption under subsection (1) 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:

- ensuring that the company keeps accounting records which comply with Section 221; and
- 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.

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



M. D. Bryan (Director)

Approved by the Board on 19th June, 1998

The annexed notes form part of these abbreviated accounts.

# Hedon Hire Limited

## Notes to the Abbreviated Accounts

for the year ended 30th September, 1997

### 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 - 9 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.

#### 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.

# Hedon Hire Limited

## Notes to the Abbreviated Accounts

for the year ended 30th September, 1997

|    |                           | Tangible<br>fixed<br>assets<br>£ |
|----|---------------------------|----------------------------------|
| 2. | <b>Fixed assets</b>       |                                  |
|    | <b>Cost or valuation:</b> |                                  |
|    | At 1st October, 1996      | 268,515                          |
|    | Additions                 | 4,030                            |
|    | Disposals                 | 4,147                            |
|    |                           | <hr/>                            |
|    | At 30th September, 1997   | 268,398                          |
|    |                           | <hr/>                            |
|    | <b>Depreciation:</b>      |                                  |
|    | At 1st October, 1996      | 127,342                          |
|    | Charge for year           | 28,620                           |
|    |                           | <hr/>                            |
|    | At 30th September, 1997   | 155,962                          |
|    |                           | <hr/>                            |
|    | <b>Net book value:</b>    |                                  |
|    | At 30th September, 1997   | 112,436                          |
|    |                           | <hr/> <hr/>                      |
|    | At 30th September, 1996   | 141,173                          |
|    |                           | <hr/> <hr/>                      |

### 3. Creditors

The following liabilities were secured:

|                | Aggregate<br>amount outstanding |           |
|----------------|---------------------------------|-----------|
|                | 1997<br>£                       | 1996<br>£ |
| Bank overdraft | 52,212                          | 55,244    |
| Bank loans     | 49,104                          | 60,811    |
|                | <hr/>                           | <hr/>     |

The aggregate amount of liabilities repayable wholly or in part more than five years after the balance sheet date is:

|                          | 1997<br>£ | 1996<br>£ |
|--------------------------|-----------|-----------|
| Repayable by instalments | 30,939    | 35,404    |
|                          | <hr/>     | <hr/>     |

| 4. | Called up share capital    | Authorised  |             | Allotted called up<br>and fully paid |           |
|----|----------------------------|-------------|-------------|--------------------------------------|-----------|
|    |                            | 1997<br>No. | 1996<br>No. | 1997<br>£                            | 1996<br>£ |
|    | Ordinary shares of £1 each | 1,000       | 1,000       | 100                                  | 100       |
|    |                            | <hr/>       | <hr/>       | <hr/>                                | <hr/>     |