

PAISLEY ENGINEERING LIMITED

MODIFIED ACCOUNTS

31ST OCTOBER, 1995

REGISTRATION NO. 80627

Milne, Craig & Corson
Chartered Accountants
Ashtrees House
9 Orr Square
PAISLEY



ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON

THE UNAUDITED ACCOUNTS OF PAISLEY ENGINEERING LIMITED

The following reproduces the text of the report prepared for the purposes of section 249A(2) Companies Act, 1985 in respect of the company's annual accounts from which the abbreviated accounts, set out on pages 2 to 5, have been prepared:-

'We report on the accounts for the year ended 31st October, 1995 set on pages 2 to 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 3, the company's directors are responsible for the preparation of the accounts, and they believe that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

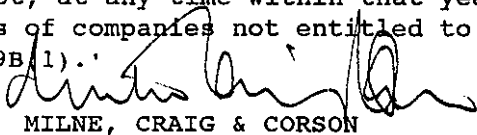
BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- (a) the accounts are in agreement with the 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 exemptions specified in section 249B(1).


MILNE, CRAIG & CORSON

REPORTING ACCOUNTANTS

Ashtrees House
9 Orr Square
PAISLEY

31st May, 1996

PAISLEY ENGINEERING LIMITEDBALANCE SHEET AS AT 31ST OCTOBER, 1995

	Notes	1995 £	1994 £
FIXED ASSETS			
Tangible assets	2	14,157	<u>13,774</u>
CURRENT ASSETS			
Stocks		14,770	18,515
Debtors		<u>30,247</u>	<u>34,613</u>
		45,017	53,128
CREDITORS:			
DUE WITHIN ONE YEAR		<u>76,214</u>	<u>68,149</u>
NET CURRENT LIABILITIES		(31,197)	<u>(15,021)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(17,040)	<u>(1,247)</u>
CREDITORS: DUE AFTER MORE THAN ONE YEAR		3,245	3,847
		<u>(20,285)</u>	<u>(5,094)</u>
CAPITAL AND RESERVES			
Called up share capital	3	1,000	1,000
Profit and loss account		<u>(21,285)</u>	<u>(6,094)</u>
		<u>(20,285)</u>	<u>(5,094)</u>

PAISLEY ENGINEERING LIMITED

BALANCE SHEET AS AT 31ST OCTOBER, 1995

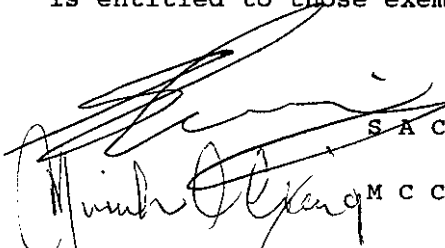
CONTINUED

In preparing these accounts the directors have utilised the audit exemption and state that:-

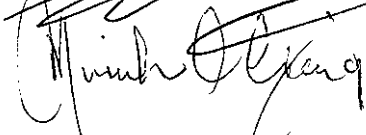
- a) for the year ended 31st October, 1995 the company was entitled to the exemption under Section 249A(2)
- b) no notice requiring an audit had been deposited under Section 249B(2) in relation to the accounts for the year
- c) the directors acknowledge their responsibilities for:-
 - (i) ensuring that 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 31st October, 1995 and of its profit and loss for the year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company.

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

In preparing these accounts the directors have taken advantage of the exemptions conferred by Part I of Schedule 8 of the Companies Act, 1985 applicable to small companies and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

 S A Craig

Director

 M C Craig

Director

31st May, 1996

The notes on pages 4 and 5 form part of these accounts.

PAISLEY ENGINEERING LIMITEDNOTES TO THE MODIFIED ACCOUNTS AT 31ST OCTOBER, 1995

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared in accordance with applicable accounting standards and under the historical cost convention.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:-

Leasehold improvements	20% straight line
Plant, equipment and fittings	10%-20% straight line
Motor vehicles	25% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided only to the extent that it will become payable in the foreseeable future.

2. TANGIBLE FIXED ASSETS

	Leasehold alterations £	Plant, equipment and fittings £	Motor vehicles £	Total £
Cost				
At 1st November, 1994	1,500	5,361	18,390	25,251
Additions	-	491	6,250	6,741
At 31st October, 1995	1,500	5,852	24,640	31,992
Depreciation				
At 1st November, 1994	1,499	4,904	5,074	11,477
Charge for year	-	458	5,900	5,900
At 31st October, 1995	1,499	5,362	10,974	17,835
Net Book Value				
At 31st October, 1995	1	490	13,666	14,157
At 31st October, 1994	1	457	13,316	13,774

PAISLEY ENGINEERING LIMITEDNOTES TO THE MODIFIED ACCOUNTS AT 31ST OCTOBER, 1995

3. CALLED UP SHARE CAPITAL

	1995 £	1994 £
Authorised:		
Ordinary shares of £1 each	1,000	1,000
Allotted, issued and fully paid:		
Ordinary shares of £1 each	1,000	1,000

4. SECURED CREDITORS

Hire purchase creditors	9,776	8,147
Bank loans and overdrafts	31,950	22,449

The bank overdraft is secured by a floating charge over the assets of the company and by personal guarantees granted by the directors.

Hire purchase contracts are secured over the assets to which the contracts relate.

5. GOING CONCERN

The balance sheet shows that liabilities exceed assets by £19,634 including a liability to directors of £13,450. The directors have confirmed that they will maintain financial support for the foreseeable future to enable the company to continue trading. The accounts are therefore drawn up on a going concern basis.