

S. & D HARPER LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1995



W D Johnston & Carmichael
Chartered Accountants
Commerce House
South Street
Elgin
IV30 1JE

S & D HARPER LIMITED

DIRECTORS

S A Harper
Mrs D Harper
D Harper
S Harper

SECRETARY AND REGISTERED OFFICE

Wink & McKenzie
87 High Street
Elgin
IV30 1EA

AUDITORS

W D Johnston & Carmichael
Commerce House
South Street
Elgin
IV30 1JE

BANKERS

Clydesdale Bank plc
151 High Street
Elgin
IV30 1BW

SOLICITORS

Wink & McKenzie
87 High Street
Elgin
IV30 1EA

Registered in Scotland Number 80635.

AUDITORS' REPORT TO THE DIRECTORS OF S & D HARPER LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 4 to 6, together with the annual financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1995.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 4 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 December 1995, and the abbreviated accounts on pages 4 to 6 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 2 July 1996 we reported, as auditors of S & D Harper Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1995, and our audit report was as follows:

"We have audited the financial statements on pages 4 to 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1995 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 as applicable to small companies."



W D JOHNSTON & CARMICHAEL CA
Registered Auditors

Elgin
2 July 1996

S & D HARPER LIMITED

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 1995

	<u>Notes</u>	<u>1995</u> <u>£</u>	<u>1994</u> <u>£</u>
FIXED ASSETS			
Tangible assets	2	121945	118820
CURRENT ASSETS			
Stocks		91111	114630
Debtors		117026	75125
Cash at bank and in hand		20017	4957
		228154	194712
CREDITORS: amounts falling due within one year	3	(181614)	(117072)
NET CURRENT ASSETS		46540	77640
TOTAL ASSETS LESS CURRENT LIABILITIES		168485	196460
CREDITORS: amounts falling due after more than one year		(25124)	(35133)
PROVISIONS FOR LIABILITIES AND CHARGES		(1854)	(2592)
NET ASSETS		141507	158735
CAPITAL AND RESERVES			
Called up share capital	4	40000	40000
Profit and loss account		101507	118735
EQUITY SHAREHOLDERS FUNDS		141507	158735

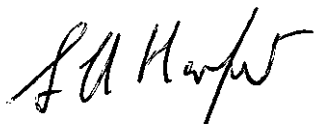
The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

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

The financial statements were approved by the board on 2 July 1996.

S A HARPER

Director



NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1995

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered to be material to the financial statements in both the current and preceding year.

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain land and buildings.

CONSOLIDATION

The company is exempt from the requirement to prepare group financial statements by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual company and not about its group.

CASH FLOW STATEMENT

The financial statements do not include a cash flow statement because the company, as a small company, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow Statements".

DEPRECIATION

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

Property improvements	-	2% straight line
Plant and machinery	-	20% to 25% reducing balance

STOCKS

Stocks are stated at the lower of cost and net realisable value with proper provision being made for obsolete and slow moving stock. Cost comprises the invoiced price of goods and materials purchased on a first in first out basis.

DEFERRED TAXATION

Deferred taxation is provided under the liability method at current rates of taxation for all short term timing differences. Provision is also made for long term timing differences except those which are not expected to reverse in the foreseeable future.

LEASING AND HIRE PURCHASE COMMITMENTS

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their expected useful lives or, in the case of finance leases, the lease term whichever is shorter.

The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

TURNOVER

Turnover consists of the value of goods and services supplied in the year, excluding VAT.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 1995

2 Tangible assets

	<u>Tangible fixed assets</u> £
COST	
At 31 December 1994	195145
Additions	29164
Disposals	(9100)
At 31 December 1995	215209
DEPRECIATION	
At 31 December 1994	76325
Charge for year	19039
Disposals	(2100)
At 31 December 1995	93264
NET BOOK VALUE	
At 31 December 1995	121945

3 Creditors

Creditors include the following:

	<u>1995</u> £	<u>1994</u> £
Bank overdraft	(37115)	(1990)
Loan wholly repayable within five years	(28000)	(36000)
	(65115)	(37990)

The loan and overdraft are secured.

4 Share capital

	<u>1995</u> £	<u>1994</u> £
Authorised, issued and fully paid 40000 ordinary shares of £1 each	40000	40000

5 Transactions with directors

The company's trading premises are owned by a partnership in which S A Harper and Mrs D Harper, directors, are the partners. During the year the company paid rent of £6600 on these premises.