

Company Registration Number 2347135

FAYS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended

31st December 1996



**THOMAS
MAY & CO**
CHARTERED ACCOUNTANTS

FAYS LIMITED

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FAYS LIMITED

ABBREVIATED BALANCE SHEET

31st December 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
<u>FIXED ASSETS</u>			
Investment	2	-	-
<u>CURRENT ASSETS</u>			
Stock		-	10,800
Debtors		75,769	170,908
Balance at bank		2,722	2,055
		<hr/>	<hr/>
		£78,491	£183,763
		<hr/>	<hr/>
<u>CREDITORS: Amounts falling due within one year:-</u>			
Bank overdraft		525	14,444
Other		39,293	149,899
		<hr/>	<hr/>
		£39,818	£164,343
		<hr/>	<hr/>
<u>NET CURRENT ASSETS</u>		38,673	19,420
		<hr/>	<hr/>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		38,673	19,420
		<hr/>	<hr/>
<u>CREDITORS: Amounts falling due after more than one year</u>			
		64,636	64,636
		<hr/>	<hr/>
		£(25,963)	£(45,216)
		<hr/>	<hr/>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	3	150,000	150,000
Profit and Loss Account - Adverse balance		(175,963)	(195,216)
		<hr/>	<hr/>
		£(25,963)	£(45,216)
		<hr/>	<hr/>

In preparing these abbreviated financial statements advantage has been taken of the exemptions conferred by Part III of Schedule 8 of the Companies Act 1985 with respect to the delivery of individual financial statements. In the opinion of the Directors, the company is entitled to benefit from those exemptions as a small company.

The accounts were approved by the Board of Directors on 1st August 1997

On behalf of the Board

Director



FAYS LIMITED

NOTES TO THE ABBREVIATED BALANCE SHEET

1. ACCOUNTING POLICIES

Accounting Convention

The accounts are prepared under the historical cost convention.

The company has not prepared group accounts as the criteria for a small-sized group as defined by the Companies Act 1985 are satisfied.

Deferred Taxation

Provision is made for deferred taxation using the liability method for all timing differences other than those which are expected with reasonable probability to continue in the foreseeable future.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions during the year are translated at the average rate of exchange during the year.

Accounting for Leases

Operating leases - Payments under operating leases are charged to the Profit and Loss Account as incurred.

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges are included in creditors falling due within or after one year.

Stock

Stock is valued at the lower of cost and net realisable value.

Turnover

Turnover represents amounts invoiced by the company in respect of goods and services provided during the year excluding value added tax.

Going Concern

The financial statements have been prepared on a going concern basis, which assumes that the company will continue to receive the support of a director.

FAYS LIMITED

NOTES TO THE ABBREVIATED BALANCE SHEET (continued)

2. **FIXED ASSET - INVESTMENT**

<u>Cost</u>	<u>Shares in Subsidiary Undertaking</u> £
At 1st January 1996 and 31st December 1996	280,088
<u>Less: Amount written off</u>	<u>280,088</u>
	<u>-</u>

The company holds 100% of the share capital of Midland Wholesalers Limited, a non-trading company registered in England and Wales.

3. **SHARE CAPITAL**

	<u>1996</u>	<u>1995</u>
Authorised:		
200,000 ordinary shares of £1 each	£200,000	£200,000
	<u> </u>	<u> </u>
Allotted, called-up and fully paid:		
150,000 ordinary shares of £1 each	£150,000	£150,000
	<u> </u>	<u> </u>

AUDITORS' REPORT TO THE DIRECTORS OF FAYS LIMITED

Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

We have examined the abbreviated accounts on pages 1 to 3 together with the financial statements of Fays Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31st December 1996.

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 1 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 the Companies Act 1985 to the exemptions conferred by Part III of Schedule 8 to that Act, in respect of the year ended 31st December 1996 and the abbreviated accounts on pages 1 to 3 have been properly prepared in accordance with that schedule.

Other Information

On 1st August 1997 we reported, as auditors of Fays Limited on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st December 1996, and our audit report was as follows:-

"We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective Responsibilities of Directors and Auditors

As described in the Directors' Report, 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 statements and to report our opinion to you.

AUDITORS' REPORT TO THE DIRECTORS OF FAYS LIMITED

Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985

Continued

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.

Fundamental Uncertainty

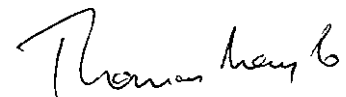
The financial statements have been prepared on a going concern basis, the validity of which depends upon continuing support from a director. The financial statements do not include any adjustment that would result from a failure to obtain continuing support from a director. Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Allen House
Newarke Street
Leicester

1st August 1997



Chartered Accountants
and Registered Auditors