

SHENSTONE MECHANICAL SERVICES LIMITED

ABBREVIATED BALANCE SHEET AT 31ST MARCH 1996

		<u>1996</u>	<u>1995</u>
	<u>Notes</u>	£	£
Fixed Assets			
Tangible Assets	2	182740	183778
Current Assets			
Stocks		14554	19949
Debtors		81846	54965
Cash at Bank and in Hand		<u>18000</u>	<u>12954</u>
		114400	87868
Creditors: Amounts Falling Due Within One Year	3	<u>139862</u>	<u>139665</u>
Net Current Liabilities		<u>(25462)</u>	<u>(51797)</u>
Total Assets Less Current Liabilities		157278	131981
Creditors: Amounts Falling Due After More Than One Year	4	(68683)	(75984)
Provision For Liabilities and Charges		<u>(3640)</u>	<u>(2510)</u>
Net Assets		<u>84955</u>	<u>53487</u>
Capital and Reserves			
Called Up Share Capital		2	2
Profit and Loss Account		<u>84953</u>	<u>53485</u>
		<u>84955</u>	<u>53487</u>

In preparing these abbreviated accounts we have relied upon sections 246 and 247 of the Companies Act 1985 on the grounds that the company is entitled to the benefits of these sections as a small company.

The financial statements were approved by the Board of Directors and signed on its behalf by:-

.....
R. J. Knight - Director



SHENSTONE MECHANICAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH 1996**

1. Principal Accounting Policies

(a) Accounting Convention

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

(b) Turnover

Turnover represents the invoiced value, excluding value added tax, of goods and services supplied by the Company.

(c) Depreciation

Depreciation is provided on fixed assets in use at the year end at rates calculated to write off the cost of the assets, less their estimated residual value, over their anticipated useful lives. In general the rates used are:-

Freehold Property	1%	per annum reducing balance
Plant and Machinery	25%	per annum reducing balance
Fork Lift Truck Hire Fleet	20%	per annum reducing balance
Motor Vehicles	25%	per annum reducing balance

(d) Stocks and Work in Progress

Stocks and Work in Progress are stated at the lower of cost and net realisable value after making any necessary provisions for obsolete, slow moving and defective stocks.

(e) Deferred Taxation

Provision for deferred taxation using the liability method is made due to accelerated capital allowances and other timing differences to the extent that in the opinion of the Directors it is considered such differences may crystallise in the foreseeable future.

(f) Leasing and Hire Purchase Obligations

Assets acquired under hire purchase or finance leases are capitalised as fixed assets and the leasing obligation is shown under creditors. Interest payable is charged to the profit and loss account to produce a constant rate of return on the outstanding lease balance.

Assets financed under operating leases are not capitalised and the rental costs are charged to the profit and loss account as incurred.

(g) Cash Flow Statement

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small Company.

SHENSTONE MECHANICAL SERVICES LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH 1996 (CONTINUED)****2. Tangible Fixed Assets**

	<u>Freehold Property</u>	<u>Plant and Machinery</u>	<u>Hire Fleet</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£	£	£
<u>Cost</u>					
At 1st April 1995	42396	15249	155619	62885	276149
Additions	-	12262	14130	35755	62147
Eliminated on Disposals	-	-	(24500)	(34729)	(59229)
At 31st March 1996	<u>42396</u>	<u>27511</u>	<u>145249</u>	<u>63911</u>	<u>279067</u>
<u>Depreciation</u>					
At 1st April 1995	389	3495	62067	26420	92371
Charge for the Year	389	4268	18447	11856	34960
Eliminated on Disposals	-	-	(12133)	(18871)	(31004)
At 31st March 1996	<u>778</u>	<u>7763</u>	<u>68381</u>	<u>19405</u>	<u>96327</u>
<u>Net Book Value</u>					
At 31st March 1996	<u>41618</u>	<u>19748</u>	<u>76868</u>	<u>44506</u>	<u>182740</u>
At 31st March 1995	<u>42007</u>	<u>11754</u>	<u>93552</u>	<u>36465</u>	<u>183778</u>

3. Creditors: Amounts Falling Due Within One Year

	<u>1996</u>	<u>1995</u>
	£	£
Bank Loan	19783	14686
Trade Creditors	18401	18348
Corporation Tax	9625	13900
Obligations Under Hire Purchase Contracts	18490	26447
Other Taxation and Social Security Costs	22947	3936
Directors Loan Accounts	45756	57729
Accruals and Deferred Income	<u>4860</u>	<u>4619</u>
	<u>139862</u>	<u>139665</u>

SHENSTONE MECHANICAL SERVICES LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH 1996 (CONTINUED)****4. Creditors: Amounts Falling Due After More Than One Year**

	<u>1996</u>	<u>1995</u>
	£	£
Bank Loan	35046	42399
Obligations Under Hire Purchase Contracts	<u>33637</u>	<u>33585</u>
	<u>68683</u>	<u>75984</u>

Repayment terms for the creditors falling due after more than one year were as follows:-

	<u>Bank Loans</u>	<u>Obligations Under Hire Purchase Contracts</u>
	£	£
Repayable by instalment		
Between 1 and 2 years	16967	25236
Between 2 and 5 years	<u>18079</u>	<u>8401</u>
	<u>35046</u>	<u>33637</u>

5. Secured Creditors

Included within Creditors were Bank Loans amounting to £54829 (1995 : £57085) secured by a legal charge over the Company's assets.

6. Called Up Share Capital

At 31st March 1996 and 31st March 1995

	<u>Authorised</u>		<u>Allotted, Called Up and Fully Paid</u>	
	<u>Number</u>	£	<u>Number</u>	£
Ordinary Shares of £1 Each	<u>25,000</u>	<u>25,000</u>	<u>2</u>	<u>2</u>

SHENSTONE MECHANICAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH 1996 (CONTINUED)**

7. Statement of Directors' Responsibilities

Company Law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Directors are required to:-

- 1) Select suitable accounting policies and then apply them consistently.
- 2) Make judgements and estimates that are reasonable and prudent.
- 3) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 4) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

8. Country of Registration

The Company is registered in England and Wales.

AUDITORS' REPORT TO SHENSTONE MECHANICAL SERVICES LIMITED
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 1a to 5a together with the financial statements of Shenstone Mechanical Services Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st March 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 5a 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 31st March 1996 and the abbreviated accounts on pages 1a to 5a have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On _____ we reported, as auditors of Shenstone Mechanical Services Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st March 1996 and our audit report was as follows:

"We have audited the financial statements on pages 3 to 10 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 on page 10 the company's directors are responsible for the preparation of the 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.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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.

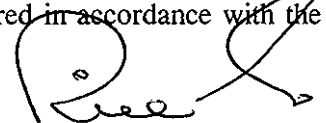
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 31st March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Stt August 1996

BANK HOUSE
MILL STREET
CANNOCK



RICE AND COMPANY
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS