

**WESCHENFELDER (SALES)
LIMITED**

ABBREVIATED FINANCIAL STATEMENTS

31 MARCH 1998

Gilchrist, Tash

Chartered Accountants & Registered Auditors
Cleveland Buildings
Queen's Square
Middlesbrough
TS2 1PA



WESCHENFELDER (SALES) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

CONTENTS

PAGES

Auditors' report to the company

1

Abbreviated balance sheet

2

Notes to the abbreviated financial statements

3 to 5

WESCHENFELDER (SALES) LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31 March 1998 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Gilchrist, Tash
GILCHRIST, TASH
Chartered Accountants
& Registered Auditors

Cleveland Buildings
Queen's Square
Middlesbrough
TS2 1PA

25 Jan 1999

WESCHENFELDER (SALES) LIMITED

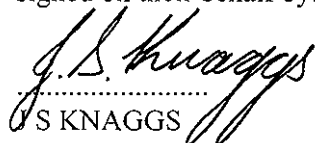
ABBREVIATED BALANCE SHEET

31 MARCH 1998

	Note	1998	1997
		£	£
FIXED ASSETS	2.		
Tangible assets		53,511	51,540
Investments		<u>1</u>	<u>1</u>
		53,512	51,541
CURRENT ASSETS			
Stocks		113,368	107,000
Debtors		145,611	170,486
Cash at bank and in hand		<u>1,214</u>	<u>2,806</u>
		260,193	280,292
CREDITORS: Amounts falling due within one year	3.	<u>(197,605)</u>	<u>(214,563)</u>
NET CURRENT ASSETS		<u>62,588</u>	<u>65,729</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		116,100	117,270
CREDITORS: Amounts falling due after more than one year	4.	<u>(46,289)</u>	<u>(44,207)</u>
		<u>69,811</u>	<u>73,063</u>
CAPITAL AND RESERVES			
Called-up equity share capital	6.	2,000	2,000
Other reserves		11,049	11,049
Profit and loss account		<u>56,762</u>	<u>60,014</u>
SHAREHOLDERS' FUNDS		<u>69,811</u>	<u>73,063</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 25 January 1999 and are signed on their behalf by:


J S KNAGGS


T W WESCHENFELDER

The notes on pages 3 to 5 form part of these financial statements.

WESCHENFELDER (SALES) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

1. ACCOUNTING POLICIES

Basis of accounting

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

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Fixtures and fittings	- 10% to 20% on cost
Motor vehicles	- 20% on cost

The directors are of the opinion that the residual value of the property at North Road, Middlesbrough would exceed its book value and therefore, as the buildings are appropriately maintained, no depreciation has been provided.

Stocks

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

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

Pension costs

The company makes pension contributions in respect of selected employees to Standard Life Assurance Company and Legal and General Assurance Company. The funds will provide pensions for these employees at their selected retirement age. All contributions are charged to profit and loss account when they are due.

Deferred taxation

Provision is made, under the liability method, for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability will crystallise in the foreseeable future.

WESCHENFELDER (SALES) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

2. FIXED ASSETS

	Tangible Fixed Assets	Investments	Total
	£	£	£
COST			
At 1 April 1997	130,970	3,101	134,071
Additions	16,400	-	16,400
Disposals	(27,905)	-	(27,905)
At 31 March 1998	<u>119,465</u>	<u>3,101</u>	<u>122,566</u>
DEPRECIATION AND AMOUNTS WRITTEN OFF			
At 1 April 1997	79,430	3,100	82,530
Charge for year	12,482	-	12,482
On disposals	(25,958)	-	(25,958)
At 31 March 1998	<u>65,954</u>	<u>3,100</u>	<u>69,054</u>
NET BOOK VALUE			
At 31 March 1998	<u>53,511</u>	<u>1</u>	<u>53,512</u>
At 31 March 1997	<u>51,540</u>	<u>1</u>	<u>51,541</u>

The investment is in Dixons of Darlington Limited a wholly owned subsidiary undertaking, registered in England.

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	1998	1997
	£	£
Bank loans and overdrafts	72,086	64,018
Other creditors	<u>4,578</u>	<u>-</u>
	<u>76,664</u>	<u>64,018</u>

The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand.

The directors have considered the company's working capital requirements for the period ending 31 March 1999 and thereafter. On the basis of this information and discussions with the company's bankers, the directors consider that the company will continue to operate within the facility currently agreed and within that which they expect will be agreed in January 2000, when the company's bankers are due to consider renewing the facility. However, the margin of facilities over requirements is not large and, inherently there can be no certainty in relation to these matters.

WESCHENFELDER (SALES) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	1998 £	1997 £
Bank loans and overdrafts	39,027	44,207
Other creditors	7,262	-
	<u>46,289</u>	<u>44,207</u>

5. TRANSACTIONS WITH THE DIRECTORS

The company trades on a commercial basis with W Weschenfelder and Sons Limited, a company in which T W Weschenfelder and J B Weschenfelder are directors and have a material interest. The total amount of goods sold to and work done for W Weschenfelder and Sons Limited, excluding value added tax, was £23,774. The total amount of goods purchased from W Weschenfelder and Sons Limited, excluding value added tax, was £77,352.

At 31 March 1998 Weschenfelder (Sales) Limited owed W Weschenfelder and Sons Limited, £6,769.

At 31 March 1998 W Weschenfelder and Sons Limited owed Weschenfelder (Sales) Limited, £3,228.

6. SHARE CAPITAL

Authorised share capital:

	1998 £	1997 £
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	1998 £	1997 £
Ordinary share capital	<u>2,000</u>	<u>2,000</u>