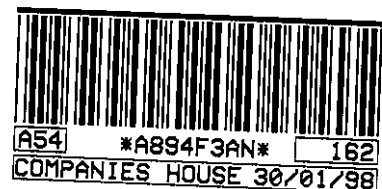


**WESCHENFELDER (SALES)
LIMITED**

ABBREVIATED FINANCIAL STATEMENTS

31 MARCH 1997



Gilchrist, Tash

Chartered Accountants & Registered Auditors
Cleveland Buildings, Queens Square, Middlesbrough

WESCHENFELDER (SALES) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997

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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 4 to 7, together with the financial statements of the company prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 1997.

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 the company's entitlement 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 to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we considered 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 Companies Act 1985, and the abbreviated accounts on pages 4 to 7 are properly prepared in accordance with those provisions.

OTHER INFORMATION

On ~~29 January 1998~~ we reported, as auditors of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 1997, and the full text of our audit report is reproduced on pages 2 to 3 of these financial statements.

Gilchrist

GILCHRIST, TASH
Chartered Accountants
& Registered Auditors

Cleveland Buildings
Queens Square
Middlesbrough

29 January 1998

WESCHENFELDER (SALES) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 MARCH 1997

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 to 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 1, 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 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.

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the uncertainty as to the continuation and renewal of the company's bank overdraft facility. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

WESCHENFELDER (SALES) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 31 MARCH 1997

OPINION

In our opinion the financial statements give a true and fair view of the company's state of affairs as at 31 March 1997 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

GILCHRIST, TASH
Chartered Accountants
& Registered Auditors

Cleveland Buildings
Queens Square
Middlesbrough

29 January 1998

WESCHENFELDER (SALES) LIMITED

ABBREVIATED BALANCE SHEET

31 MARCH 1997

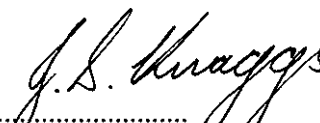
	Note	1997		1996	
		£	£	£	£
FIXED ASSETS	2.				
Tangible assets			51,540		65,232
Investments			<u>1</u>		<u>1</u>
			51,541		65,233
CURRENT ASSETS					
Stocks		107,000		132,218	
Debtors		170,486		104,992	
Cash at bank and in hand		<u>2,806</u>		<u>969</u>	
		280,292		238,179	
CREDITORS: Amounts falling due within one year	3.	<u>(258,770)</u>		<u>(220,567)</u>	
NET CURRENT ASSETS			21,522		17,612
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>73,063</u>		<u>82,845</u>
CAPITAL AND RESERVES					
Called-up share capital	5.		2,000		2,000
Other reserves			11,049		11,049
Profit and loss account			<u>60,014</u>		<u>69,796</u>
SHAREHOLDERS' FUNDS			<u>73,063</u>		<u>82,845</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 ~~29th~~ JANUARY 1998 and are signed on their behalf by:



 T W WESCHENFELDER



 J S KNAGGS

The notes on pages 5 to 7 form part of these financial statements.

WESCHENFELDER (SALES) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997

1. ACCOUNTING POLICIES

Basis of accounting

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

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 1998 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 February 1998, 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. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

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.

WESCHENFELDER (SALES) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997

1. ACCOUNTING POLICIES *(continued)*

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets. 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 Scottish Equitable Assurance Company, Life Association of Scotland 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.

2. FIXED ASSETS

	Tangible Fixed Assets £	Investments £	Total £
COST			
At 1 April 1996 and 31 March 1997	<u>130,970</u>	<u>3,101</u>	<u>134,071</u>
DEPRECIATION			
At 1 April 1996	65,738	3,100	68,838
Charge for year	<u>13,692</u>	<u>-</u>	<u>13,692</u>
At 31 March 1997	<u>79,430</u>	<u>3,100</u>	<u>82,530</u>
NET BOOK VALUE			
At 31 March 1997	<u>51,540</u>	<u>1</u>	<u>51,541</u>
At 31 March 1996	<u>65,232</u>	<u>1</u>	<u>65,233</u>

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

WESCHENFELDER (SALES) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997

3. CREDITORS: Amounts falling due within one year

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

1997	1996
£	£
<u>108,225</u>	<u>99,552</u>

4. 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 £11,255. The total amount of goods purchased from W Weschenfelder and Sons Limited, excluding value added tax, was £78,153.

At 31 March 1997 Weschenfelder (Sales) Limited owed W Weschenfelder and Sons Limited, £7,891.

At 31 March 1997 W Weschenfelder and Sons Limited owed Weschenfelder (Sales) Limited, £2,914.

5. SHARE CAPITAL

Authorised share capital:

	1997	1996
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	1997	1996
	£	£
Ordinary share capital	<u>2,000</u>	<u>2,000</u>

**DIXONS OF DARLINGTON
LIMITED**

FINANCIAL STATEMENTS

31 MARCH 1997

Gilchrist, Tash
Chartered Accountants
Cleveland Buildings, Queens Square, Middlesbrough

DIXONS OF DARLINGTON LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 1997

The directors present their annual report together with the unaudited accounts of the company for the year ended 31 March 1997. The company is dormant and has not traded during the year.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the period were as follows:

C W L Weschenfelder
J S Knaggs
T W Weschenfelder
J B Weschenfelder

The company is a wholly owned subsidiary and the interests of group directors are disclosed in the accounts of the parent company.

RETIREMENT OF DIRECTORS

In accordance with the Articles of Association, C W L Weschenfelder will retire from the board and, being eligible, will stand for re-appointment.

Registered office:
North Road
Middlesbrough

Signed on behalf of the directors



T W WESCHENFELDER

Director

Approved by the directors on 29/1 98 19....

DIXONS OF DARLINGTON LIMITED

BALANCE SHEET

31 MARCH 1997

	Note	1997 £	1996 £
CREDITORS: Amounts falling due within one year	2.	(119)	(119)
NET CURRENT ASSETS		-	-
TOTAL ASSETS LESS CURRENT LIABILITIES		(119)	(119)
CAPITAL AND RESERVES			
Called-up equity share capital	3.	3,101	3,101
Profit and loss account		(3,220)	(3,220)
(DEFICIENCY)		(119)	(119)

The company was dormant (within the meaning of section 250 of the Companies Act 1985) throughout the year ended 31 March 1997.

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements were approved by the directors on the 29th JANUARY 1998 and are signed on their behalf by:


T W WESCHENFELDER


J S KNAGGS

The notes on page 3 form part of these financial statements.

DIXONS OF DARLINGTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997

1. DORMANT STATUS

The company was dormant (within the meaning of section 250 of the Companies Act 1985) throughout the year ended 31 March 1997. The company has not traded during the year or during the preceding financial year. During these periods, the company received no income and incurred no expenditure and therefore made neither profit or loss.

The financial statements are prepared under the historical cost convention.

2. CREDITORS: Amounts falling due within one year

	1997 £	1996 £
Amounts owed to group undertakings	<u>119</u>	<u>119</u>

3. SHARE CAPITAL

Authorised share capital:

	1997 £	1996 £
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	1997 £	1996 £
Ordinary share capital	<u>3,101</u>	<u>3,101</u>

4. ULTIMATE PARENT COMPANY

The ultimate parent company is Weschenfelder (Sales) Limited, a company registered in England.