

Butlers Services Limited

Abbreviated Accounts 31 August 1996
together with directors' and auditors' reports

Registered number: 2388146



BINDER HAMLYN

Andersen Worldwide

20 Old Bailey
London EC4M 7BH

Auditors' report

To the shareholders of Butlers Services Limited

We have examined the abbreviated accounts on pages 3 to 5 together with the full financial statements of Butlers Services Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31 August 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 3 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.

Opinion

In our opinion the directors are entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred in Section A Part III of Schedule 8 to the Act in respect of the year ended 31 August 1996 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

Other information

On 19 June 1997 we reported, as auditors of Butlers Services Limited, to the members on the full financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 August 1996 and our report was as follows:

"We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

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Auditors' report (continued)

Respective responsibilities of directors and auditors

As described on page 1, 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.

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 August 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Binder Hamlyn

Chartered Accountants and Registered Auditors
19 June 1997

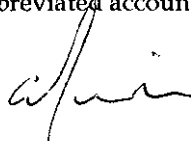
Balance sheet

as at 31 August 1996

	Notes	1996 £	1995 £
Fixed assets			
Tangible fixed assets	2	<u>330,770</u>	<u>201,275</u>
Current assets			
Stocks		416,435	241,763
Debtors		690,052	330,626
Cash at bank and in hand		<u>59,582</u>	<u>85</u>
		1,166,069	572,474
Creditors: amounts falling due within one year	3	<u>(1,267,037)</u>	<u>(586,624)</u>
Net current liabilities		<u>(100,968)</u>	<u>(14,150)</u>
Total assets less current liabilities		229,802	187,125
Creditors: amounts falling due after more than one year		<u>(47,308)</u>	<u>(58,262)</u>
Net assets		<u>182,494</u>	<u>128,863</u>
Capital and reserves			
Called up equity share capital	4	120,000	120,000
Profit and loss account		<u>62,494</u>	<u>8,863</u>
		<u>182,494</u>	<u>128,863</u>

In preparing these abbreviated accounts advantage has been taken of the exemptions conferred in Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that in the directors' opinion the company is entitled to the benefit of those exemptions as a small company under the provisions of section 246 and 247 of the Act.

The abbreviated accounts on pages 3 to 5 were approved by the Board on 19 June 1997.



Director

Notes to the financial statements

for the year ended 31 August 1996

1 Accounting policies

a) Basis of accounting

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

b) Depreciation

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

Improvements	20% per annum
Fixtures and fittings	20% per annum
Motor cars	25% per annum
Computer system	33 $\frac{1}{3}$ % per annum
Own equipment	20% and 25% per annum

c) Stocks

Stocks, being goods for resale, are valued at the lower of cost, being purchase price, and net realisable value.

d) Leases and hire purchase contracts

Assets held under leases and hire purchase contracts are included in tangible fixed assets and as obligations to pay future rentals. The amount capitalised is the estimated fair value of the asset, with the corresponding leasing commitments shown as obligations to pay future rentals.

Depreciation on the relevant asset is charged to the profit and loss account. Lease payments are treated as consisting of a capital and an interest element and interest is charged to the profit and loss account so as to produce a constant yearly rate of charge on the remaining balance of the obligations for each accounting year.

e) Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

f) Deferred taxation

Deferred taxation is provided on timing differences where a liability for the payment of such taxation is expected to arise in the foreseeable future.

g) Cash flow statements

The company has not prepared a cash flow statement as it is entitled to the exemption available under S246 to S249 of the Companies Act 1985 for small companies.

Notes to the financial statement(continued)

2 Tangible fixed assets

	£
Cost	
1 September 1995	369,763
Additions	213,554
Disposals	<u>(13,664)</u>
31 August 1996	<u>569,653</u>
Depreciation	
1 September 1995	168,488
Charge for the year	79,665
Disposals	<u>(9,270)</u>
31 August 1996	<u>238,883</u>
Net book value 31 August 1996	<u>330,770</u>
31 August 1995	<u>201,275</u>

3 Creditors

The bank overdraft included in creditors of £107,698 (1995: £107,905) is secured by a fixed and floating charge on all the assets of the company. The bank loan included in creditors of £27,741 (1995: Nil) of which £18,717 is due in more than one year is secured by a fixed and floating charge on all the assets of the company.

4 Called-up equity share capital

	Authorised		Allotted, issued and fully paid	
	1996	1995	1996	1995
	£	£	£	£
'A' shares of £1 each	36,000	36,000	36,000	36,000
'B' shares of £1 each	36,000	36,000	36,000	36,000
'C' shares of £1 each	30,000	30,000	30,000	30,000
Ordinary shares of £1 each	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>
	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>	<u>120,000</u>

All classes of shares have equal rights to dividends, voting and on the winding up of the company.