

A & D SUTHERLAND LIMITED
(Company Registration 30441)

ABBREVIATED ACCOUNTS

30 APRIL 1997



**AUDITORS' REPORT TO A & D SUTHERLAND LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

1

We have examined the abbreviated accounts set out on pages 2 to 5 together with the financial statements of the company for the year ended 30 April 1997 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and 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 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 the abbreviated accounts to be delivered are properly prepared. 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 to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



SCOTT-MONCRIEFF DOWNIE WILSON
Chartered Accountants and Registered Auditors

16 February 1998

135 Buchanan Street
Glasgow G1 2JA

Abbreviated Balance Sheet at 30 April 1997

	Note	1997		1996	
		£	£	£	£
Fixed assets					
Tangible assets	2		922,663		947,740
Investments	3		<u>67,361</u>		<u>67,361</u>
			990,024		1,015,101
Current assets					
Stocks		4,759		13,385	
Investments		300,000		-	
Debtors		884,058		978,559	
Bank balances and cash		<u>345,847</u>		<u>400,167</u>	
		1,534,664		1,392,111	
Creditors					
Amounts falling due within one year		<u>(314,201)</u>		<u>(388,063)</u>	
Net current assets			<u>1,220,463</u>		<u>1,004,048</u>
Total assets less current liabilities			2,210,487		2,019,149
Provision for liabilities and charges					
Deferred taxation			(58,256)		(59,498)
Deferred income					
Capital grants			<u>(157,378)</u>		<u>(101,462)</u>
Net assets			<u>1,994,853</u>		<u>1,858,189</u>
Capital and reserves					
Called up equity share capital	4		19,000		19,000
Share premium			30,000		30,000
Profit and loss account			<u>1,945,853</u>		<u>1,809,189</u>
Equity shareholders' funds			<u>1,994,853</u>		<u>1,858,189</u>

References are to the notes on pages 3 to 5

These abbreviated accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the Board on 16 February 1998

Y

A M Sutherland

X - Director

Notes on Abbreviated Accounts
30 April 1997

1 Accounting policies

a Basis of accounting

The abbreviated accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

b Depreciation

i Depreciation is provided on the straight line basis over the estimated useful life of tangible fixed assets at the following annual rates -

Heritable buildings	- 2½ %
Plant	- 20 %
Vehicles	- 25 %
Office equipment	- 10 %.

ii Depreciation is provided for a full year except in the case of items costing over £5,000, on which depreciation is provided from the beginning of the quarter year of purchase.

c Stocks

i Stocks of finished goods are valued at the lower of cost and net realisable value.

ii Short term work in progress is valued at the lower of cost and net realisable value. Cost represents materials, labour and plant, transport and other expenses directly attributable to the contract or job. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

d Grants

Grants in respect of capital expenditure are credited to the profit and loss account by equal instalments over the estimated useful life of the assets concerned. Grants of a revenue nature are credited to the profit and loss account over the period to which they relate.

e Turnover

Turnover represents the amount receivable on continuing operations for goods sold, work completed, plant hire, finance lease rentals and quarry fees exclusive of VAT.

f Deferred tax

Deferred tax is provided for liabilities that will probably crystallise in the future, using the liability method; that is, utilising current rates.

g Investments

Investments in subsidiary undertakings are stated at cost less provision for diminution in value, if such a reduction is deemed to be of a permanent nature.

h/

Notes on Abbreviated Accounts (continued)
30 April 1997

1 Accounting policies (continued)

h Finance lease interest

Finance lease interest, which is at a fixed rate, is credited to revenue evenly over the term of the agreement.

i Finance lease assets

Assets which are the subject of finance lease agreements are held as debtors at the net amount outstanding on the agreement.

j Group financial statements

The company has not prepared group financial statements as the group headed by the company qualifies under Section 248(1), Companies Act 1985, for exemption from doing so, being a medium-sized group.

k Pensions

The scheme is a defined contributions scheme. Contributions are charged to the profit and loss account as they become payable.

2 Tangible fixed assets	£
Cost -	
At 1 May 1996	1,669,210
Additions in year	165,322
Disposals in year	<u>(93,849)</u>
At 30 April 1997	<u>1,740,683</u>
Depreciation -	
At 1 May 1996	721,470
Charge for year	183,838
On disposals in year	<u>(87,288)</u>
At 30 April 1997	<u>818,020</u>
Net book value -	
At 30 April 1997	<u><u>922,663</u></u>
At 30 April 1996	<u><u>947,740</u></u>

Notes on Abbreviated Accounts (continued)
30 April 1997

3 Fixed asset investments	1997 £	1996 £
Subsidiary undertaking - William Dunnet & Co Ltd (38,000 shares of £1 each - 95% holding)	67,161	67,161
Unlisted	<u>200</u>	<u>200</u>
	<u>67,361</u>	<u>67,361</u>

The registered office of William Dunnet & Co Ltd is in Scotland.

At 30 April 1997 the aggregate of the share capital and reserves of William Dunnet & Co Ltd amounted to £1,046,575 (1996 £928,845) and the profit for the year to that date was £117,730 (1996 £87,791). A & D Sutherland Ltd's interest in the share capital and reserves at that date was £994,246 (1996 £882,402) and in the profit for the year was £111,844 (1996 £83,401).

4 Called up equity share capital	1997 £	1996 £
Authorised - 20,000 shares of £1 each	<u>20,000</u>	<u>20,000</u>
Allotted, issued and fully paid - 19,000 shares of £1 each	<u>19,000</u>	<u>19,000</u>