

REGISTERED NUMBER: 541701

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 1998

FOR

LODGE SERVICE (NORTHERN) LIMITED



LODGE SERVICE (NORTHERN) LIMITED

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LODGE SERVICE (NORTHERN) LIMITED

COMPANY INFORMATION
for the Year Ended 31 July 1998

DIRECTORS:

J S Lodge
S R Lodge

SECRETARY:

S R Lodge

REGISTERED OFFICE:

Stuart House
55 Catherine Place
London
SW1E 6DY

REGISTERED NUMBER:

541701

AUDITORS:

Orr Shotliff
Chartered Accountants
Registered Auditor
Stuart House
55 Catherine Place
London
SW1E 6DY

BANKERS:

National Westminster Bank plc
PO Box 305
55 King Street
Manchester
M60 2DB

LODGE SERVICE (NORTHERN) LIMITED
REPORT OF THE AUDITORS TO
LODGE SERVICE (NORTHERN) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages four to six, together with the full financial statements of the company for the year ended 31 July 1998 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements 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 consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to five are properly prepared in accordance with those provisions.

The text of the Report of the Auditors to the Shareholders was as follows:

"We have audited the financial statements on pages four to eight which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described on page two 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. However, the accounting records for the year ended 31 July 1998 were lost in transit and in consequence we were unable to carry out auditing procedures necessary to obtain adequate assurance regarding the major Balance Sheet items or the transactions during that year. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

LODGE SERVICE (NORTHERN) LIMITED

**REPORT OF THE AUDITORS TO
LODGE SERVICE (NORTHERN) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

Opinion: Disclaimer on View Given by Financial Statements

Because of the effect of the limitation in evidence available to us, we are unable to form an opinion as to whether the financial statements give a true and fair view of the state of the company's affairs as at 31 July 1998 or of its loss for the year then ended. In all other respects, in our opinion the financial statements have been properly prepared in accordance with the Companies Act 1985. "

Orr Shotliff
Chartered Accountants
Registered Auditor
Stuart House
55 Catherine Place
London
SW1E 6DY



Dated:

25 May 1999

LODGE SERVICE (NORTHERN) LIMITED

ABBREVIATED BALANCE SHEET

31 July 1998

	Notes	1998 £	1997 £
FIXED ASSETS:			
Tangible assets	2	35,680	36,506
CURRENT ASSETS:			
Debtors		64,406	70,407
Cash at bank and in hand		<u>5,646</u>	<u>6,055</u>
		70,052	76,462
CREDITORS: Amounts falling due within one year		<u>87,685</u>	<u>79,526</u>
NET CURRENT LIABILITIES:		<u>(17,633)</u>	<u>(3,064)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		18,047	33,442
CREDITORS: Amounts falling due after more than one year		<u>3,917</u>	<u>5,059</u>
		<u>£14,130</u>	<u>£28,383</u>
CAPITAL AND RESERVES:			
Called up share capital	4	2,233	2,233
Capital redemption reserve		1,515	1,515
Profit and loss account		<u>10,382</u>	<u>24,635</u>
Shareholders' funds		<u>£14,130</u>	<u>£28,383</u>

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

ON BEHALF OF THE BOARD:


S R Lodge - DIRECTOR

Approved by the Board on 25 May 1999

The notes form part of these financial statements

LODGE SERVICE (NORTHERN) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the Year Ended 31 July 1998

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Debtors

Known Bad Debts are written off and specific provision is made for those debts which are considered to be doubtful of collection.

2. TANGIBLE FIXED ASSETS

	Total £
COST:	
At 1 August 1997	66,466
Additions	13,082
Disposals	<u>(10,495)</u>
At 31 July 1998	<u>69,053</u>
DEPRECIATION:	
At 1 August 1997	29,960
Charge for year	11,210
Eliminated on disposals	<u>(7,797)</u>
At 31 July 1998	<u>33,373</u>
NET BOOK VALUE:	
At 31 July 1998	<u>35,680</u>
At 31 July 1997	<u>36,506</u>

The net book value of tangible fixed assets included above held under finance lease or hire purchase contract amounted to £23,244 (1997: £27,410). Total depreciation allocated to these assets during the year was £6,477 (1997: £6,891).

LODGE SERVICE (NORTHERN) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the Year Ended 31 July 1998

3. SECURED CREDITORS

	1998	1997
	£	£
Hire purchase creditors:		
Due within one year	8,755	9,803
Due after one year	<u>3,917</u>	<u>5,059</u>

4. CALLED UP SHARE CAPITAL

Authorised:			1998	1997
Number:	Class:	Nominal value:	£	£
40,000	Ordinary	5p	2,000	2,000
3,000	6% Redeemable Cumulative Preference	£1	<u>3,000</u>	<u>3,000</u>
			<u>5,000</u>	<u>5,000</u>

Allotted, issued and fully paid:			1998	1997
Number:	Class:	Nominal value:	£	£
29,980	Ordinary	5p	1,499	1,499
734	6% Redeemable Cumulative Preference	£1	<u>734</u>	<u>734</u>
			<u>2,233</u>	<u>2,233</u>

5. ULTIMATE PARENT COMPANY

The holding company is Lodge Service International Limited, incorporated in England.