

REGISTERED NUMBER: 541701

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 1997

FOR

LODGE SERVICE (NORTHERN) LIMITED



LODGE SERVICE (NORTHERN) LIMITED

**INDEX TO THE ABBREVIATED FINANCIAL STATEMENTS
for the Year Ended 31 July 1997**

	Page
Company Information	1
Report of the Auditors on the Abbreviated Financial Statements	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Financial Statements	4

LODGE SERVICE (NORTHERN) LIMITED

COMPANY INFORMATION
for the Year Ended 31 July 1997

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 Shottliff
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 three to six, together with the full financial statements of the company for the year ended 31 July 1997 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.

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



Dated: 29 May 1998

LODGE SERVICE (NORTHERN) LIMITED

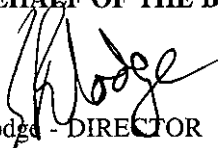
ABBREVIATED BALANCE SHEET

31 July 1997

		1997		1996	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		36,506		28,451
CURRENT ASSETS:					
Debtors		70,407		57,448	
Cash at bank and in hand		<u>6,055</u>		<u>2,585</u>	
		76,462		60,033	
CREDITORS: Amounts falling due within one year		<u>79,526</u>		<u>57,603</u>	
NET CURRENT (LIABILITIES)/ASSETS:			<u>(3,064)</u>		<u>2,430</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			33,442		30,881
CREDITORS: Amounts falling due after more than one year			<u>5,059</u>		<u>4,267</u>
			<u><u>£28,383</u></u>		<u><u>£26,614</u></u>
CAPITAL AND RESERVES:					
Called up share capital	3		2,233		2,233
Capital redemption reserve			1,515		1,515
Profit and loss account			<u>24,635</u>		<u>22,866</u>
SHAREHOLDERS' FUNDS			<u><u>£28,383</u></u>		<u><u>£26,614</u></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 28 May 1998

The notes form part of these financial statements

LODGE SERVICE (NORTHERN) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the Year Ended 31 July 1997

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

All other leases are treated as operating leases. Their annual rental is charged to the profit and loss account on a straight line basis over the term of the lease.

LODGE SERVICE (NORTHERN) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS for the Year Ended 31 July 1997

2. TANGIBLE FIXED ASSETS

	Total £
COST:	
At 1 August 1996	65,526
Additions	21,931
Disposals	<u>(20,990)</u>
At 31 July 1997	<u>66,467</u>
DEPRECIATION:	
At 1 August 1996	37,075
Charge for year	9,067
Eliminated on disposals	<u>(16,181)</u>
At 31 July 1997	<u>29,961</u>
NET BOOK VALUE:	
At 31 July 1997	<u>36,506</u>
At 31 July 1996	<u>28,451</u>

The net book value of tangible fixed assets included above held under finance lease or hire purchase contract amounted to £27,410 (1996:£19,157). Total depreciation allocated to these assets during the year was £6,891 (1996:£5,025).

3. CALLED UP SHARE CAPITAL

Authorised:			1997	1996
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:				
Number:	Class:	Nominal value:	1997 £	1996 £
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>

The holder of the Redeemable Cumulative Preference shares has waived all rights to dividends up to 31 July 1997.

LODGE SERVICE (NORTHERN) LIMITED
for the Year Ended 31 July 1997

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

4. ULTIMATE PARENT COMPANY

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

5. SECURED CREDITORS

The following Hire Purchase Creditors were secured on assets of the company:

	1997	1996
	£	£
Amount falling due within one year	9,803	5,978
Amount falling due after more than one year	5,059	4,267