



**CEAS CONSULTANTS (WYE)  
LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 1997**

**Company number: 1952298**

**CEAS CONSULTANTS (WYE) LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 1997**

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Company registration number: 1952298

Registered office: Northcroft House  
West Street  
Newbury  
Berks  
RG14 1HD

Directors: H W Biggs  
G J Brookes  
A E Buckwell  
C Caspari  
D J Corbett (Chairman)  
M Hobbs  
H B Lowe  
N A Young

Secretary: H A Williams

Bankers: Midland Bank plc  
1 Mansion House Street  
Newbury  
RG14 5ET

Solicitors: Lamb Brooks  
Victoria House  
39 Winchester Street  
Basingstoke  
Hants  
RO21 7EQ

Auditors: Grant Thornton  
Registered auditors  
Chartered accountants  
1 Westminster Way  
Oxford  
OX2 0PZ

**CEAS CONSULTANTS (WYE) LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 1997**

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# CEAS CONSULTANTS (WYE) LIMITED

## REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 1997

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The directors present their report together with the audited financial statements for the year ended 31 March 1997.

### Principal activities

The group are consultants and advisers in the field of economic research for the food and agricultural industries.

### Business review

There was a profit for the year after taxation amounting to £35,663. The directors do not recommend the payment of a dividend.

### Directors

The present membership of the Board is set out below. All directors served throughout the year.

The interests of the directors in the shares of the company at 31 March 1997 and 1 April 1996 were as follows:

	Ordinary shares	
	31 March 1997	1 April 1996
H W Biggs	-	-
G J Brookes	-	-
A E Buckwell	-	-
C Caspari	-	-
D J Corbett	-	-
M Hobbs	-	-
H B Lowe	-	-
N A Young	-	1,000

The interests of the directors who held shares in other group undertakings at 31 March 1997 and 1 April 1996 were as follows:

	Produce Studies Group Limited		Produce Studies Group (1996) Limited	
	Ordinary shares		Ordinary shares	
	31 March 1997	1 April 1996	31 March 1997	1 April 1996
H W Biggs	148,000	-	-	40,000
D J Corbett	148,000	-	-	40,000
N A Young	43,326	-	-	833
C Caspari	10,000	-	-	-
G J Brookes	2,500	-	-	-

# **CEAS CONSULTANTS (WYE) LIMITED**

## **REPORT OF THE DIRECTORS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 1997**

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### **Directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

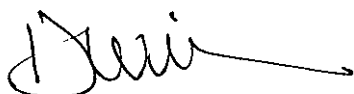
### **Auditors**

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

### **Small company exemption**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

### **BY ORDER OF THE BOARD**



H A Williams  
Secretary

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
CEAS CONSULTANTS (WYE) LIMITED**

We have audited the financial statements on pages 4 to 18 which have been prepared under the accounting policies set out on pages 4 to 5.

**Respective responsibilities of directors and auditors**

As described on page 2 the 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 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 misstatements, 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 affairs of the company and the group at 31 March 1997 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
OXFORD**

*22 December 1997*

## **CEAS CONSULTANTS (WYE) LIMITED**

### **PRINCIPAL ACCOUNTING POLICES**

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#### **BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention. The principal accounting policies of the company have remained unchanged from the previous period and are set out below.

#### **BASIS OF CONSOLIDATION**

The consolidated accounts incorporate the financial statements of CEAS Consultants (Wye) Limited and its subsidiary undertaking for the year ended 31 March 1997. The group uses the acquisition method of accounting to consolidate the results of the subsidiary undertaking from the date of acquisition.

#### **GOODWILL**

Goodwill arising on the acquisition of subsidiary undertakings is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. It is amortised through the profit and loss account over the directors' estimate of its useful economic life, being 10 years.

#### **TURNOVER**

Turnover represents sales to external customers at invoiced amounts less value added tax.

#### **DEPRECIATION**

Depreciation is provided to write off the cost, less estimated residual value, of all tangible fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Motor vehicles	- 25% per annum
Fixtures fittings and equipment	- 20-33% per annum

#### **INVESTMENTS**

Investments held as fixed assets are stated at cost less any provision for a permanent diminution in value.

#### **WORK IN PROGRESS**

Work in progress is valued at the lower of cost and net realisable value. Cost is based on the direct cost of labour and other contract costs. The value of incomplete contracts is assessed and the attributable profit is recognised in the profit and loss account.

Net realisable value is based on the selling price less additional costs to completion and disposal.

#### **DEFERRED TAXATION**

Deferred tax is provided using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advanced corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recovered.

## **CEAS CONSULTANTS (WYE) LIMITED**

### **PRINCIPAL ACCOUNTING POLICES**

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#### **FOREIGN CURRENCY**

Foreign currency transactions of individual companies are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss.

Profit and loss accounts and assets and liabilities of foreign subsidiary undertakings are translated into sterling at the rates of exchange ruling on the balance sheet date. Exchange differences which arise from translation of the opening net investment in foreign subsidiary undertakings are taken to reserves.

#### **LEASED ASSETS**

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor. All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease.

#### **PENSION COSTS**

Contributions to individual employees personal pension schemes are charged to the profit and loss account in the year in which they become payable.



**CEAS CONSULTANTS (WYE) LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 1997**

	Note	1997 £	14 month period ended 31 March 1996 £
<b>Turnover</b>	1	1,733,914	1,890,187
<b>Cost of sales</b>		<u>(1,053,029)</u>	<u>(1,011,572)</u>
<b>Gross profit</b>		680,885	878,615
<b>Administrative expenses</b>		<u>(632,394)</u>	<u>(726,019)</u>
		48,491	152,596
<b>Other operating income</b>		<u>3,159</u>	<u>12,900</u>
<b>Operating profit</b>		51,650	165,496
<b>Profit on disposal of fixed assets</b>		6,704	2,429
<b>Interest receivable</b>		1,382	5,454
<b>Interest payable</b>	3	<u>(13,655)</u>	<u>(15,361)</u>
<b>Profit on ordinary activities before taxation</b>		46,081	158,018
<b>Tax on profits on ordinary activities</b>	4	<u>(10,418)</u>	<u>(57,653)</u>
<b>Profit for the financial year</b>		35,663	100,365
<b>Dividends</b>	5	<u>-</u>	<u>(75,000)</u>
<b>Profit transferred to reserves</b>	15	<u><u>35,663</u></u>	<u><u>25,365</u></u>

The accompanying accounting policies and notes form an integral part of these financial statements.

**CEAS CONSULTANTS (WYE) LIMITED**

**CONSOLIDATED BALANCE SHEET**

**AT 31 MARCH 1997**

	Note	1997 £	1997 £	1996 £	1996 £
<b>Fixed assets</b>					
Intangible assets	7		12,191		15,372
Tangible assets	8		<u>22,351</u>		<u>67,343</u>
			34,542		82,715
<b>Current assets</b>					
Work in progress	10	164,476		66,833	
Debtors	11	460,798		385,280	
Cash at bank and in hand		<u>103,409</u>		<u>32,586</u>	
		728,683		484,699	
<b>Creditors: amounts falling due within one year</b>	12	<u>(649,386)</u>		<u>(456,428)</u>	
<b>Net current assets</b>			<u>79,297</u>		<u>28,271</u>
<b>Total assets less current liabilities</b>			113,839		110,986
<b>Creditors: amounts falling due after more than one year</b>	13		<u>-</u>		<u>(26,229)</u>
			<u>113,839</u>		<u>84,757</u>
<b>Capital and reserves</b>					
Called up share capital	14		11,000		11,000
Share premium account	15		30,318		30,318
Profit and loss account	15		<u>72,521</u>		<u>43,439</u>
<b>Equity shareholders' funds</b>	16		<u>113,839</u>		<u>84,757</u>

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

The financial statements were approved by the Board of Directors on 10 DECEMBER 1997

Director



The accompanying accounting policies and notes form an integral part of these financial statements.

# CEAS CONSULTANTS (WYE) LIMITED

## COMPANY BALANCE SHEET

AT 31 MARCH 1997

	Note	1997 £	1997 £	1996 £	1996 £
<b>Fixed assets</b>					
Investments	9		41,118		41,118
Tangible assets	8		<u>14,936</u>		<u>58,703</u>
			56,054		99,821
<b>Current assets</b>					
Work in progress	10	146,019		12,817	
Debtors	11	457,192		348,585	
Cash at bank and in hand		<u>66,251</u>		<u>23,907</u>	
		669,462		385,309	
<b>Creditors: amounts falling due within one year</b>	12	<u>(613,825)</u>		<u>(384,546)</u>	
<b>Net current assets</b>			<u>55,637</u>		<u>763</u>
<b>Total assets less current liabilities</b>			111,691		100,584
<b>Creditors: amounts falling due after more than one year</b>	13		<u>-</u>		<u>(26,229)</u>
			<u>111,691</u>		<u>74,355</u>
<b>Capital and reserves</b>					
Called up share capital	14		11,000		11,000
Share premium account	15		30,318		30,318
Profit and loss account	15		<u>70,373</u>		<u>33,037</u>
<b>Equity shareholders' funds</b>			<u>111,691</u>		<u>74,355</u>

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

The financial statements were approved by the Board of Directors on 10 DECEMBER 1997

Director



The accompanying accounting policies and notes form an integral part of these financial statements.

**CEAS CONSULTANTS (WYE) LIMITED****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****FOR THE YEAR ENDED 31 MARCH 1997**

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	1997 £	14 month period ended 31 March 1996 £
<b>Profit for the financial year</b>	35,663	100,365
Currency translation differences on foreign currency net investments	<u>(6,581)</u>	<u>-</u>
<b>Total recognised gains and losses for the year</b>	<u><u>29,082</u></u>	<u><u>100,365</u></u>

The accompanying policies and notes form an integral part of these financial statements.

# CEAS CONSULTANTS (WYE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1997

### 1 TURNOVER AND PROFITS ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit before taxation is wholly attributable to one activity, that of consultants and advisers in the field of economic research for the food and agricultural industries.

No disclosure of geographical markets supplied is given in these financial statements as the directors consider that it would be seriously prejudicial to the interests of the group.

The profit on ordinary activities is stated after:

	1997 £	14 month period ended 31 March 1996 £
Auditor's remuneration	3,000	3,000
Depreciation and amortisation		
Tangible fixed assets, owned	14,169	22,642
Tangible fixed assets, held under finance leases	-	17,722
Goodwill	3,181	3,711
Hire of plant and machinery	4,226	5,905
Other operating lease rentals	12,895	6,800
Foreign exchange loss/(gain)	89,290	(9,581)

### 2 DIRECTORS

	1997 £	14 month period ended 31 March 1996 £
Directors' emoluments of:		
Salaries and other emoluments	136,254	71,488

**CEAS CONSULTANTS (WYE) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 1997**

**3 INTEREST PAYABLE**

	1997	14 month period ended 31 March 1996
	£	£
On bank overdrafts	12,875	6,638
Finance charges in respect of finance leases	780	1,390
Interest on loans from group companies	-	7,333
	<u>13,655</u>	<u>15,361</u>

**4 TAX ON PROFITS ON ORDINARY ACTIVITIES**

	1997	14 month period ended 31 March 1996
	£	£
UK corporation tax at 33% (1996: 33%)	1,745	46,603
Overseas tax payable	8,673	11,050
	<u>10,418</u>	<u>57,653</u>

**5 DIVIDENDS**

	1997	14 month period ended 31 March 1996
	£	£
Ordinary dividend proposed of £Nil per share (1996: £6.82)	-	75,000

**6 PROFIT FOR THE FINANCIAL YEAR**

The parent company has taken advantage of the exemption allowed under section 230 of the Companies Act 1985 and has not presented its own profit and loss account in these financial statements. The group profit for the year includes a profit after tax and before dividends of £37,336 (14 month period 31 March 1996: £86,115) which is dealt with in the financial statements of the company.

**CEAS CONSULTANTS (WYE) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 1997**

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**7 INTANGIBLE ASSETS**

	<b>Goodwill on consolidation £</b>
<b>Group</b>	
<b>Cost</b>	
At 1 April 1996 and 31 March 1997	<u>31,807</u>
<b>Amortisation</b>	
At 1 April 1996	16,435
Provided in the year	<u>3,181</u>
At 31 March 1997	<u>19,616</u>
<b>Net book amount</b>	
At 31 March 1997	<u>12,191</u>
At 31 March 1996	<u>15,372</u>

**CEAS CONSULTANTS (WYE) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 1997**

**8 TANGIBLE ASSETS**

<b>Group</b>	<b>Motor vehicles £</b>	<b>Fixtures fittings and equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 1996	60,761	124,009	184,770
Exchange adjustment	-	(8,590)	(8,590)
Additions	-	12,232	12,232
Disposals	(60,761)	(2,924)	(63,685)
	<u>-</u>	<u>124,727</u>	<u>124,727</u>
<b>At 31 March 1997</b>	<u>-</u>	<u>124,727</u>	<u>124,727</u>
<b>Depreciation</b>			
At 1 April 1996	19,884	97,543	117,427
Exchange adjustment	-	(7,019)	(7,019)
Provided in the year	-	14,169	14,169
Disposals	(19,884)	(2,317)	(22,201)
	<u>-</u>	<u>102,376</u>	<u>102,376</u>
<b>At 31 March 1997</b>	<u>-</u>	<u>102,376</u>	<u>102,376</u>
<b>Net book amount</b>			
At 31 March 1997	<u>-</u>	<u>22,351</u>	<u>22,351</u>
<b>At 31 March 1996</b>	<u>40,877</u>	<u>26,466</u>	<u>67,343</u>

The net book value of tangible fixed assets includes an amount of £nil (1996: £40,877) in respect of assets held under finance leases.



# CEAS CONSULTANTS (WYE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1997

### 8 TANGIBLE ASSETS (CONTINUED)

Company	Motor vehicles £	Fixtures fittings and equipment £	Total £
Cost			
At 1 April 1996	60,761	76,826	137,587
Additions	-	7,459	7,459
Disposals	(60,761)	(2,924)	(63,685)
At 31 March 1997	-	81,361	81,361
Depreciation			
At 1 April 1996	19,884	59,000	78,884
Provided in the year	-	9,742	9,742
Disposals	(19,884)	(2,317)	(22,201)
At 31 March 1997	-	66,425	66,425
Net book amount			
At 31 March 1997	-	14,936	14,936
At 31 March 1996	40,877	17,826	58,703

The net book value of tangible fixed assets includes an amount of £nil (1996: £40,877) in respect of assets held under finance leases.

### 9 FIXED ASSET INVESTMENTS

Company	Shares in group undertaking £
Cost	
At 1 April 1996 and 31 March 1997	41,118

The following was a subsidiary undertaking at the end of the year and has been included in the consolidated accounts.

# CEAS CONSULTANTS (WYE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1997

### 9 FIXED ASSET INVESTMENTS (CONTINUED)

Name	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business
Bureau Europeen de Recherches SA	Belgium	100%	Business consultancy

For the subsidiary undertaking listed above, the country of operation is the same as its country of incorporation or registration.

The last financial year end of the subsidiary undertaking listed above ended on 31 December 1996. Its accounting reference date is being changed to 31 March so as to be coterminous with CEAS Consultants (Wye) Limited. Interim financial statements have been prepared to 31 March 1997 for the purpose of preparing group financial statements.

### 10 WORK IN PROGRESS

Long term contract balances comprise the following:

	Group		Company	
	1997	1996	1997	1996
	£	£	£	£
Net costs less foreseeable losses	1,240,461	653,428	1,222,004	599,392
Payments on account	(1,075,985)	(586,595)	(1,075,985)	(586,575)
	<u>164,476</u>	<u>66,833</u>	<u>146,019</u>	<u>12,817</u>

### 11 DEBTORS

	Group		Company	
Due within one year:	1997	1996	1997	1996
	£	£	£	£
Trade debtors	443,044	291,586	380,960	205,587
Amounts due from group undertakings	6,994	46,914	68,339	137,471
Other debtors	242	4,609	-	2,000
Prepayments	<u>10,518</u>	<u>42,171</u>	<u>7,893</u>	<u>3,527</u>
	<u>460,798</u>	<u>385,280</u>	<u>457,192</u>	<u>348,585</u>

**CEAS CONSULTANTS (WYE) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 1997**

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>1997</b>	<b>1996</b>	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank overdraft (secured)	-	30,390	-	30,390
Amounts due to group undertakings	355,500	-	379,686	-
Payments on account	32,590	113,274	32,590	113,274
Trade creditors	135,816	90,143	127,049	75,333
Other creditors	260	26,552	260	20,873
Tax and social security	13,502	24,281	10,799	13,685
Corporation tax	1,513	46,603	1,513	46,603
Obligations under finance leases and hire purchase contracts	-	17,699	-	17,699
Proposed dividend	-	-	-	-
Accruals	110,205	107,486	61,928	66,689
	<u>649,386</u>	<u>456,428</u>	<u>613,825</u>	<u>384,546</u>

**13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>1997</b>	<b>1996</b>	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Obligations under finance leases and hire purchase contracts due:				
Within one to two years	-	15,537	-	15,537
Within two to five years	-	10,692	-	10,692
	<u>-</u>	<u>26,229</u>	<u>-</u>	<u>26,229</u>

**14 SHARE CAPITAL**

	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
Authorised		
Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>11,000</u>	<u>11,000</u>

**CEAS CONSULTANTS (WYE) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 1997**

**15 RESERVES**

	Share premium account £	Profit and loss account £
<b>Group</b>		
At 1 April 1996	30,318	43,439
Profit for the year	-	35,663
Currency translation differences on foreign currency net investments	-	(6,581)
At 31 March 1997	<u>30,318</u>	<u>72,521</u>
	Share premium account £	Profit and loss account £
<b>Company</b>		
At 1 April 1996	30,318	33,037
Profit for the year	-	37,336
At 31 March 1997	<u>30,318</u>	<u>70,373</u>

**16 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	1997 £	1996 £
<b>Group</b>		
Profit for the financial year	35,663	100,365
Dividends	-	(75,000)
	35,663	25,365
Other recognised gains and losses	(6,581)	-
Net increase in shareholders' funds	29,082	25,365
Shareholders' funds at 1 April 1996	<u>84,757</u>	<u>59,392</u>
Shareholders' funds at 31 March 1997	<u>113,839</u>	<u>84,757</u>

## CEAS CONSULTANTS (WYE) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 1997

#### 17 CONTINGENT LIABILITIES

The company has guaranteed bank borrowings of the parent company and certain fellow subsidiary companies. At 31 March 1997 the contingent liability amounted to £531,581 (1996: £143,169).

There were no other contingent liabilities at 31 March 1997 or 31 March 1996.

#### 18 PENSIONS

The pension cost charge represents contributions payable by the company to individual employee's personal pension funds.

#### 19 LEASING COMMITMENTS

Operating lease payments amounting to £9,890 (1996: £11,920) are due within one year.

The leases to which these relate expire as follows;

	1997		1996	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
Between one and five years	-	-	-	1,920
In five years or more	9,890	-	10,000	-
	<u>9,890</u>	<u>-</u>	<u>10,000</u>	<u>1,920</u>

#### 20 ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking is Produce Studies Group Limited, a company registered in England and Wales.

Copies of the consolidated financial statements of Produce Studies Group Limited are available at Companies House.

#### 21 RELATED PARTY TRANSACTIONS

The motor vehicles disposed of during the year (note 8) were sold to Produce Studies Limited for £45,590. The finance lease liability amounting to £38,251 relating to these vehicles was also taken over by Produce Studies Limited. Produce Studies Limited is a wholly owned subsidiary undertaking of Produce Studies Group Limited.

Turnover includes £35,020 which was invoiced to subsidiary undertakings of Produce Studies Group Limited. This income was in respect of work done for those companies in the normal course of business.

Cost of sales includes £149,479 in respect of amounts invoiced from subsidiary undertakings of Produce Studies Group Limited. These costs were in respect of work done by those companies in the normal course of business.

**CEAS CONSULTANTS (WYE) LIMITED**

**COMPANY PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 1997**

		1997		14 month period ended 31 March 1996
	£	£	£	£
Fees receivable		1,078,261		1,251,838
Consultancy		-		107,894
		<u>1,078,261</u>		<u>1,359,732</u>
Opening work in progress	12,817		36,449	
Contract fees payable	882,638		704,405	
Consultancy fees payable	-		107,894	
Management charges	-		14,933	
	<u>895,455</u>		<u>863,681</u>	
Less: Closing work in progress	(146,019)		(12,817)	
		<u>(749,436)</u>		<u>850,864</u>
<b>Gross profit</b>		<b>328,825</b>		<b>508,868</b>
<b>Other income</b>				
Other operating income	-		1,839	
Interest received	1,206		2,836	
Exchange gain	-		9,581	
Sundry Income	181		-	
Management fees	<u>80,615</u>		<u>-</u>	
		<u>82,002</u>		<u>14,256</u>
		<b>410,827</b>		<b>523,124</b>

**THIS PAGE DOES NOT FORM PART OF THE STATUTORY FINANCIAL STATEMENTS.**

**CEAS CONSULTANTS (WYE) LIMITED**

**COMPANY PROFIT AND LOSS ACCOUNT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 1997**

		1997	14 month period ended 31 March 1996
	£	£	£
<b>Administrative expenses</b>			
Staff salaries	216,067		281,883
Travel costs	11,302		21,913
Rent, rates and services	10,933		10,850
Repairs and renewals	2,627		704
Printing and stationery	3,810		7,858
Subscriptions and publications	3,459		3,633
Telephone, telex and postage	7,900		13,902
Insurance	996		1,668
Bank interest and charges	13,354		8,085
Hire purchase interest	780		1,390
Legal fees	-		3,790
Audit fees	8,790		4,483
Promotion	-		3,400
General expenses	343		138
Depreciation	7,395		34,319
Depreciation recharge	-		(5,181)
Profit on disposal of fixed assets	(6,704)		(2,429)
Taxation penalties	1,404		-
Exchange loss	89,290		-
		<u>371,746</u>	<u>390,406</u>
<b>Profit on ordinary activities before taxation</b>		39,081	132,718
Taxation		<u>(1,745)</u>	<u>(46,603)</u>
<b>Profit on ordinary activities after taxation</b>		37,336	86,115
Dividends		-	(75,000)
<b>Retained profit</b>		<u>37,336</u>	<u>11,115</u>

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