

EDGEMONT CONSTRUCTION LIMITED
DIRECTORS REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1996

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The following page does not form part of the Statutory Accounts

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COMPANY NUMBER: 01992332 (England & Wales)



EDGEMONT CONSTRUCTION LIMITED

COMPANY INFORMATION

DIRECTOR

T BETTS

SECRETARY

J BURTON

COMPANY NUMBER

01992332 (England & Wales)

REGISTERED OFFICE

c/o MERVYN BENNEY
DUNMERE ROAD
ELLACOMBE
TORQUAY
DEVON TQ1 1LS

REPORTING ACCOUNTANTS

DAVID HILL & CO
5 ILSHAM ROAD
WELLSWOOD
TORQUAY
DEVON TQ1 2JG

EDGEMONT CONSTRUCTION LIMITED
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 JULY 1996

The Director presents the Report and Accounts for the year ended 31 July 1996.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the Company is the supply of building services and materials; in addition the Company receives rent from the freehold property at 6 Dunmere Road, Torquay.

Trading conditions continued to be difficult in the year to 31 July 1996.

FINANCE

The Director continues to provide financial support to the Company.

DIRECTOR

The Sole Director who served during the year and his beneficial interest in the Company's issued ordinary share capital was:-

	Number of Ordinary Shares	
	31.7.95	31.7.96
Mr T Betts	99	99

This report has been prepared taking advantage of the exemptions conferred by Part 11 of Schedule 8 to the Companies Act 1985.

T BETTS
Director



13.12.96.

**ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS OF
EDGEMONT CONSTRUCTION LIMITED**

We report on the Accounts for the year ended 31 July 1996 set out on pages 3 to 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on Page 4 the Company's Director is responsible for the preparation of the Accounts, and he considers that the Company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the Company, and making such limited enquiries of the officers of the Company as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- (a) The Accounts are in agreement with the accounting records kept by the Company under section 221 of the Companies Act 1985
- (b) Having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) The Accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) The Company satisfied the conditions for exemption from an audit of the Accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of Companies not entitled to the exemption specified in Section 249B(1).



13.12.96.

DAVID HILL & CO
Chartered Accountants
5 ILSHAM ROAD
WELLSWOOD
TORQUAY TQ1 2JG

EDGEMONT CONSTRUCTION LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 1996

1995 £		Note	1996 £
37 484	TURNOVER	2	81 642
<u>20 399</u>	Cost of Sales		<u>48 561</u>
17 085	GROSS PROFIT		33 081
134	Selling & Distribution Costs		237
<u>18 011</u>	Administrative Expenses		<u>25 343</u>
<u>18 145</u>			<u>25 580</u>
(1 060)	OPERATING PROFIT		7 501
<u>(3 149)</u>	Interest Payable	4	<u>(3 706)</u>
(4 209)	(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3 795
<u>- -</u>	TAXATION ON PROFIT ON ORDINARY ACTIVITIES	6	<u>(53)</u>
(4 209)	(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		3 742
<u>(19 872)</u>	RETAINED LOSSES BROUGHT FORWARD		<u>(24 081)</u>
<u>(24 081)</u>	RETAINED LOSSES CARRIED FORWARD		<u>(20 339)</u>

There were no recognised gains and losses for 1995 and 1996 other than those included in the profit and loss account.

The Notes on Pages 5 and 6 form part of these Accounts.

EDGEMONT CONSTRUCTION LIMITED
BALANCE SHEET
AS AT 31 JULY 1996

1995 £		Note	1996 £
	FIXED ASSETS		
44 298	Tangible Assets	6	43 268
	CURRENT ASSETS		
16 365	Stock & Goods for Resale		19 000
7 182	Debtors	7	13 480
- -	Cash in Hand		53
<u>1 235</u>	Balance at Bank		<u>- -</u>
24 782			32 533
	CURRENT LIABILITIES		
<u>(63 409)</u>	Creditors Falling Due Within One Year	8	<u>(79 466)</u>
<u>(38 627)</u>	NET CURRENT LIABILITIES		<u>(46 933)</u>
5 671			(3 665)
	LONGTERM LIABILITIES		
<u>(29 652)</u>	Creditors Falling Due After One Year	9	<u>(16 574)</u>
<u>(23 981)</u>	NET LIABILITIES		<u>(20 239)</u>
	CAPITAL AND RESERVES		
100	Called-up Share Capital	10	100
<u>(24 081)</u>	Profit and Loss Account		<u>(20 339)</u>
<u>(23 981)</u>	DEFICIT OF SHAREHOLDERS FUNDS	11	<u>(20 239)</u>

The Director considers that the Company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) of the Companies Act 1985. No member or members holding in the aggregate at least 10% of the issued share capital of the Company or of any class thereof have issued a notice requiring an audit. The Director acknowledges his responsibilities for ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the Company as at 31 July 1996 and of its profit for the year then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the Accounts so far as applicable to the Company.

The Director has taken advantage, in the preparation of these accounts, of the exemptions available under Part I of Schedule 8 to the Companies Act 1995 on the grounds that the Company qualifies as a small company.

T BETTS
Director



13.12.96.

The notes on pages 5 and 6 form part of these accounts.

EDGEMONT CONSTRUCTION LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1996

1) ACCOUNTING POLICIES

1.1 Basis of Preparation of Accounts.

The Accounts are prepared under the historical cost convention and include the results of the Company's operations which are described in the Directors Report and all of which are continuing.

The Company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the Company, net of Value Added Tax and of the rents received by the Company.

1.3 Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold Buildings	1%	straight line basis
Fixtures & Fittings	25%	reducing balance basis

1.4 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

1.5 Pensions

The Company operated a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year; this scheme ceased during the year.

2) TURNOVER

Turnover represents:-

Sale of Building Materials & Services
Rents Received

1995	1996
£	£
30 478	76 406
7 006	5 236
<u>37 484</u>	<u>81 642</u>

3) OPERATING LOSS

The operating loss/profit is after charging:-

Depreciation of Tangible Fixed Assets
Directors Emoluments

1 231	1 030
3 455	832

4) INTEREST PAYABLE

On Bank Overdraft
On Loans Repayable Outside 5 Years

68	193
<u>3 081</u>	<u>3 513</u>
<u>3 149</u>	<u>3 706</u>

5) TAXATION

UK Corporation Tax at Current Rates

- -	<u>53</u>
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No provision has been made for deferred tax in view of available trading losses carried forward.

EDGEMONT CONSTRUCTION LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1996

6) TANGIBLE FIXED ASSETS

	Freehold Property £	Equipment £	Total £
<u>COST</u>			
As at 1.8.95 and at 31.7.96	<u>42 515</u>	<u>6 231</u>	<u>48 746</u>
<u>DEPRECIATION</u>			
As at 1.8.95	637	3 811	4 448
Charge for Year	<u>425</u>	<u>605</u>	<u>1 030</u>
As at 31.7.96	<u>1 062</u>	<u>4 416</u>	<u>5 478</u>
<u>NET BOOK VALUE</u>			
As at 31.7.95	<u>41 878</u>	<u>2 420</u>	<u>44 298</u>
As at 31.7.96	<u>41 453</u>	<u>1 815</u>	<u>43 268</u>

7) DEBTORS

	1995 £	1996 £
Due Within One Year:		
Trade Debtors	6 389	13 263
Prepayments	<u>793</u>	<u>217</u>
	<u>7 182</u>	<u>13 480</u>

8) CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Bank Overdraft	- -	3 057
Trade Creditors	33 808	30 967
Accruals	3 268	3 390
Corporation Tax	- -	53
Directors Loan Account	<u>26 333</u>	<u>41 999</u>
	<u>63 409</u>	<u>79 466</u>

9) CREDITORS: AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR

Bank Loan	18 002	16 574
Other Loans	<u>11 650</u>	<u>- -</u>
	<u>29 652</u>	<u>16 574</u>

The Bank Loan is secured against the Company's freehold property.

10) SHARE CAPITAL

Authorized, Issued and Fully Paid Ordinary Shares of £1 each	100	100
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11) MOVEMENT OF SHAREHOLDERS' FUNDS

Loss for the Year	(4 209)	3 795
Opening Shareholders Funds	<u>(19 872)</u>	<u>(24 081)</u>
Closing Shareholders Funds	<u>(24 081)</u>	<u>(20 286)</u>

12) TRANSACTION WITH THE DIRECTOR

Mr T Betts is a partner in Mervyn Benney Builders and the proprietor of Devon Double Glazing, to whom the Company sells services and materials.