

CRESTLANCELOT LIMITED

DIRECTORS	Mr. D.H. Mole Mr. J. Mole Mr. D. Kennett (resigned May 1999)
SECRETARY	Mr. D.H. Mole
REGISTERED OFFICE	428a Limpsfield Road, Warlingham. Surrey. CR6 9LA
COMPANY NUMBER	1994435

REPORT AND FINANCIAL STATEMENTS
PERIOD ENDED 31ST OCTOBER, 1999

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CRESTLANCELOT LIMITED
REPORT OF THE DIRECTORS

The directors present their report with the unaudited financial statements for the period to 31st October, 1999.

Activities

The principal activities of the company continued to be the provision of factoring services, loan and leasing finance and ancillary financial services and there has been no material changes in these activities since 1st November, 1998. The company's main business now is that of factoring/sales ledger administration.

Results and Dividends

The profit for the year, after taxation, was £3,540. No dividend was declared in the year.

Directors and their Interests

The present membership of the Board is set out below with their interests in the issued shares of the Company.

	Number of Ordinary Shares of £1 each	
	<u>31 October 1999</u>	<u>31 October 1998</u>
Mr. D.H. Mole	-	-
Mrs. W.A. Mole	100	100
Mr. J.D. Mole	20	20

Small Company Exemption

Advantage is taken in the Directors' Report of the special exemptions from disclosure applicable to small companies conferred by Part VII of the Companies Act 1985.

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CRESTLANCELOT LIMITED
REPORT OF THE DIRECTORS (Continued)

Directors' Responsibilities

In respect of the preparation of financial statements the directors are required by company law:

(i) to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the year, and of the profit or loss, and total recognised gains and losses for the period to that date;

(ii) to ensure that suitable accounting policies, consistently applied and supported by judgements and estimates that are reasonable and prudent, have been used in the preparation of the financial statements;

(iii) to ensure that applicable accounting standards have been followed;
and

(iv) to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that the financial statements comply with the above requirements.

By Order of the Board


Secretary

Date: 15 May 2000

CRESTLANCELOT LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED
31ST OCTOBER, 1999

	<u>1999</u>	<u>1998</u>
Turnover - Interest and Charges	20,054	21,142
- Bank Charges Recovered	-	-
	<u>20,054</u>	<u>21,421</u>
Expenditure		
Sales Administration and Computer Consultancy	9,511	14,246
Bank Charges and Interest Payable	764	-
Professional Fees	-	-
Telephone, Printing and Stationery	619	756
Use of Home as Office	200	350
Motor, Travel and Sundries	-	297
Provision for Bad and Doubtful Client Loans	-	-
Vehicle Depreciation/Profit on Sale	4,000	(300)
Fixtures and Fittings Depreciation	900	630
	<u>15,994</u>	<u>15,979</u>
Trading Profit before Taxation	<u>4,060</u>	<u>5,442</u>
Taxation on Profit	520	1,066
Profit after Taxation	<u>3,540</u>	<u>4,376</u>
Dividends	-	-
Surplus/(Deficit) for the Financial Year	<u>3,540</u>	<u>4,376</u>
Balance Brought Forward	19,192	14,816
Balance Carried Forward - Retained Earnings	<u>£22,732</u> =====	<u>£19,192</u> =====

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 5 to 7 form part of these financial statements.

CRESTLANCELOT LIMITED

BALANCE SHEET

AS AT 31ST OCTOBER, 1999

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
Fixed Assets And Investments			
Motor Vehicle	7	8,000	12,000
Equipment, Fixtures and Fittings		2,073	2,973
		<u>10,073</u>	<u>14,973</u>
Current Assets			
Loans to Clients		27,126	12,228
Clients Bank Account		-	834
Clients Trade Debtors	8	70,971	15,399
Debtors		3,775	1,212
Cash at Bank and in Hand		48	260
		<u>101,920</u>	<u>29,933</u>
Creditors: Amounts falling due within one year			
Clients Current Inter-business Accounts		54,829	16,233
Clients Bank Overdrafts		16,142	-
Bank Overdraft		7,657	914
Taxation and V.A.T.		1,220	1,469
Sundry Creditors and Accruals		3,135	270
Aaroc Limited		-	-
Loans from Shareholders		-	-
Loans from Directors		6,107	6,657
		<u>89,090</u>	<u>25,543</u>
		12,830	4,390
Net Assets		<u>£22,903</u> =====	<u>£19,363</u> =====
Represented by:			
Capital And Reserves			
Called Up Share Capital		171	171
Profit and Loss Account		22,732	19,192
		<u>£22,903</u> =====	<u>£19,363</u> =====

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CRESTLANCELOT LIMITED

BALANCE SHEET

AS AT 31ST OCTOBER, 1999

(Continued)

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions for small companies under part VII of the Companies Act 1985.

These financial statements were approved and signed by the director on 15

... .. May 1999


D.H. MOLE
Director

The notes on pages 6-8 form part of these financial statements.

CRESTLANCELOT LIMITED

NOTES TO FINANCIAL STATEMENTS - PERIOD ENDED 31ST OCTOBER, 1999

1. ACCOUNTING POLICIES

Basis of Accounting

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

(b) Income

Income is derived from factoring, loan interest, leasing and ancillary financial services provided by the company exclusive of value added tax and arising wholly in the United Kingdom.

(c) Taxation

The charge for taxation is based on the results for the period and would take into account any material amounts of taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes. However no provision is made for taxation deferred by reliefs where there is reasonable evidence that no liability will arise in the foreseeable future, as is the case.

(d) No cash flow statement has been prepared as the company complies with the definition of a small company under the Financial Reporting Standards No 1.

2. STATEMENT OF DIRECTORS' RESPONSIBILITIES - See Page 2.

3. PROFIT BEFORE TAXATION

Profit on ordinary activities before
taxation is arrived at after charging:

	<u>1999</u>	<u>1998</u>
Directors' Remuneration	£ - ==	£ - ==

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CRESTLANCELOT LIMITED

NOTES TO FINANCIAL STATEMENTS - PERIOD ENDED 31ST OCTOBER, 1999

(Continued)

4. TAXATION

Charge for Taxation Based on the Profit
for the year

	<u>1999</u>	<u>1998</u>
Corporation Tax at small company rates (net)	£520	£1,066
	===	====

The Company is a Close Company as defined by the Income and Corporation Taxes Act 1988. An anticipated recovery of tax has been made in relation to an overprovision in the previous year - 1999 £1,220 less £700 prior year.

5. EMPLOYEE COSTS/DIRECTORS
REMUNERATION - None

6. DEPRECIATION

Motor Vehicles are depreciated at 25% of cost on a straight line basis.
Computers and faxes are written off at 25% and furniture at 10%,
both on a reducing basis.

7. TANGIBLE FIXED ASSETS

<u>Motor Vehicles - Leased</u>	<u>Cost</u>	<u>Depreciation</u>	<u>Net Book Value</u>
At 1st November, 1998	12,000	4,000	8,000
Additions/Disposals	-	-	-
At 31st October, 1999	<u>£12,000</u>	<u>£4,000</u>	<u>£8,000</u>
	=====	=====	=====
<u>Computer Equipment and Furniture</u>			
At 1st November, 1998	4,523	2,450	2,073
Additions/Disposals	-	-	-
At 31st October, 1999	<u>£4,523</u>	<u>£2,450</u>	<u>£2,073</u>
	=====	=====	=====
TOTAL	<u>£16,523</u>	<u>£6,450</u>	<u>£10,073</u>
	=====	=====	=====

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CRESTLANCELOT LIMITED

NOTES TO FINANCIAL STATEMENTS - PERIOD ENDED 31ST OCTOBER, 1999

(Continued)

8. DEBTORS

All loans are at commercial rates of interest.

Clients trade debtors represents amounts due from accepted debts factored by the company and which are fully offset by the clients current inter-business account and clients cash at bank. Amount at 31st October, 1999 £70,971.

9. CALLED UP SHARE CAPITAL	<u>1999</u>	<u>1998</u>
Ordinary Shares of £1 each		
Authorised	£1,000	£1,000
	=====	=====
 Allotted, Issued and Fully Paid		
	£171	£171
	===	===

10. DIRECTOR'S INTERESTS/RELATED TRANSACTION

Mr. D. Kennett a director of the company (until May 1999) operates a sales ledger consultancy/accounting service with his wife and charges the company for such services.

11. COMMITMENTS

There was neither capital expenditure contracted for but not provided for in the financial statements nor capital expenditure authorised but not contracted for at the balance sheet date.

12. CONTINGENT LIABILITIES

There were no known contingent liabilities at the balance sheet date.

13. EVENTS SINCE THE BALANCE SHEET DATE

There have been no material post balance sheet date events which would affect these financial statements.

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Profit for the Financial Period	3,540
Opening Shareholders' Equity Funds	19,192
Closing Shareholders' Equity Funds	<u>£22,732</u>
	=====