

THE CENTRAL FINANCE BUREAU LIMITED

FINANCIAL STATEMENTS

31 MARCH 1999

Registered number: 2107668

WEATHERER BAILEY BRAGG

CHARTERED CERTIFIED ACCOUNTANTS

West Midlands



THE CENTRAL FINANCE BUREAU LIMITED
FINANCIAL STATEMENTS
for the year ended 31 March 1999

CONTENTS

	Page
Company information	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes	7 - 11

The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
--	------------

THE CENTRAL FINANCE BUREAU LIMITED

COMPANY INFORMATION

31 March 1999

INCORPORATED	In England and Wales on 9 March 1987
COMPANY NUMBER	2107668
DIRECTOR	M S Kenny
SECRETARY	Mrs S A Kenny
REGISTERED OFFICE	Central House 582 - 586 Kingsbury Road Erdington Birmingham B24 9ND
BANKERS	Barclays Bank plc 21 Birmingham Road Sutton Coldfield West Midlands
AUDITORS	Weatherer Bailey Bragg Chartered Certified Accountants 100 Boldmere Road Sutton Coldfield West Midlands B73 5UB

THE CENTRAL FINANCE BUREAU LIMITED

DIRECTORS' REPORT

31 March 1999

The director presents his report and the audited financial statements for the year ended 31 March 1999.

Principal activity

The principal activity of the company was that of financial consultants.

Director

The director of the company during the year and his interest in the shares of the company as recorded in the register of directors' interests were as follows:

	31 March 1999 Ordinary shares	31 March 1998 Ordinary shares
M S Kenny	600	600

Auditors

Weatherer Bailey Bragg have agreed to offer themselves for re-appointment as auditors of the company.

Computer systems year 2000 compliance

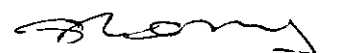
Computer systems are widely used in the business environment and action is being taken to overcome what has become known as the Millennium Bug. Where digital storage and computer systems express dates using only the last two digits of the year they will need to be reprogrammed or replaced to enable the year 2000 and beyond to be recognised. The continued efficient information processing operation of the business is therefore dependent on its own computers and in many cases those of its suppliers and customers being able to cope with the year 2000 problem.

The company is taking steps to assess the business risks resulting from the date change to the year 2000 and although the costs of compliance have not been fully quantified it is not expected that they will materially affect future results.

Small company exemptions

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

On behalf of the board



Mrs S A Kenny
Secretary

Central House
582 - 586 Kingsbury Road
Erdington
Birmingham B24 9ND

29 June 1999

THE CENTRAL FINANCE BUREAU LIMITED
STATEMENT OF 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 apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 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.

29 June 1999

On behalf of the board



M S Kenny
Director

THE CENTRAL FINANCE BUREAU LIMITED
AUDITORS' REPORT

Auditors' report to the members of
The Central Finance Bureau Limited

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, 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 error or other irregularity. 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 the company's affairs as at 31 March 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

West Midlands
29 June 1999



Weatherer Bailey Bragg
Registered Auditors
Chartered Certified Accountants

THE CENTRAL FINANCE BUREAU LIMITED
 PROFIT AND LOSS ACCOUNT
 for the year ended 31 March 1999

	Note	1999 £	1998 £
Turnover	2	129,063	88,250
Net operating expenses			
Administrative expenses		(83,238)	(72,752)
Other operating income	5	1,436	4,026
Operating profit	3	47,261	19,524
Interest payable	6	(3)	(422)
Profit on ordinary activities before taxation		47,258	19,102
Taxation	7	(9,076)	(4,164)
Profit on ordinary activities after taxation		38,182	14,938
Dividends	8	(11,200)	(16,000)
Retained profit/(loss) for the year	15	26,982	(1,062)

Movements in reserves are shown in note 15.

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses in 1999 or 1998 other than the profit/(loss) for the year.

THE CENTRAL FINANCE BUREAU LIMITED

BALANCE SHEET

at 31 March 1999

	Note	£	1999 £	£	1998 £
Fixed assets					
Tangible assets	9		57,612		12,534
Current assets					
Debtors	10	24,444		4,897	
Cash at bank and in hand		5,415		5,638	
		<u>29,859</u>		<u>10,535</u>	
Creditors: amounts falling due within one year	11	(27,552)		(16,529)	
Net current assets/(liabilities)			<u>2,307</u>		<u>(5,994)</u>
Total assets less current liabilities			59,919		6,540
Creditors: amounts falling due after more than one year	12		(26,398)		-
			<u>33,521</u>		<u>6,540</u>
Capital and reserves					
Called up share capital	14		600		600
Profit and loss account	15		32,921		5,940
Total shareholders' funds	13		<u>33,521</u>		<u>6,540</u>

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

The financial statements on pages 5 to 11 were approved by the board of directors on 29 June 1999 and signed on its behalf by:



M. S. Kenny
Director

THE CENTRAL FINANCE BUREAU LIMITED

NOTES ON FINANCIAL STATEMENTS

31 March 1999

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Motor vehicles	25% reducing balance
Fixtures and fittings	15% reducing balance

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

2 Turnover

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK (1998 £nil).

THE CENTRAL FINANCE BUREAU LIMITED

NOTES ON FINANCIAL STATEMENTS

31 March 1999

3 Operating profit

	1999 £	1998 £
Operating profit is stated after crediting:		
Net rental income	1,412	1,300
Interest receivable	24	6
	<u> </u>	<u> </u>
and after charging:		
Loss on sale of assets	41	1,492
	<u> </u>	<u> </u>
Depreciation of tangible fixed assets (note 9):		
Owned assets	3,407	3,997
Assets held under hire purchase contracts	901	-
	<u> </u>	<u> </u>
	4,308	3,997
	<u> </u>	<u> </u>

4 Directors

	1999 £	1998 £
Director's emoluments	25,579	30,678
	<u> </u>	<u> </u>

5 Other operating income

	1999 £	1998 £
Claim against former landlord	-	2,720
Bank interest received	24	6
Rent received	1,412	1,300
	<u> </u>	<u> </u>
	1,436	4,026
	<u> </u>	<u> </u>

6 Interest payable

	1999 £	1998 £
Bank loan interest	-	422
Corporation tax interest	3	-
	<u> </u>	<u> </u>
	3	422
	<u> </u>	<u> </u>

7 Taxation

	1999 £	1998 £
Corporation tax on profit on ordinary activities at 21% (1998 21%)	9,075	4,159
Under provision in earlier years	1	5
	<u> </u>	<u> </u>
	9,076	4,164
	<u> </u>	<u> </u>

THE CENTRAL FINANCE BUREAU LIMITED

NOTES ON FINANCIAL STATEMENTS

31 March 1999

8 Dividends

	1999 £	1998 £
Equity dividends paid	<u>11,200</u>	<u>16,000</u>

9 Tangible fixed assets

Cost	Motor Vehicles £	Fixtures and Fittings £	Total £
31 March 1998	22,896	3,235	26,131
Additions	58,105	201	58,306
Disposals	(22,896)	-	(22,896)
31 March 1999	<u>58,105</u>	<u>3,436</u>	<u>61,541</u>
Depreciation			
31 March 1998	11,487	2,110	13,597
Charge for the year	4,109	199	4,308
Disposals	(13,976)	-	(13,976)
31 March 1999	<u>1,620</u>	<u>2,309</u>	<u>3,929</u>
Net book amount			
31 March 1999	<u>56,485</u>	<u>1,127</u>	<u>57,612</u>
31 March 1998	<u>11,409</u>	<u>1,125</u>	<u>12,534</u>

Included above are assets held under hire purchase agreements with a net book value of £42,324 (1998 : £nil).

10 Debtors

	1999 £	1998 £
Amounts falling due within one year		
Amounts owed by related undertaking	20,000	-
Other debtors	4,444	4,897
	<u>24,444</u>	<u>4,897</u>

THE CENTRAL FINANCE BUREAU LIMITED

NOTES ON FINANCIAL STATEMENTS

31 March 1999

11 Creditors: amounts falling due within one year

	1999 £	1998 £
Obligations under finance leases and hire purchase contracts - note 12	3,452	-
Corporation tax	9,075	4,159
Other taxation and social security	2,800	101
Other creditors	12,225	12,269
	<u>27,552</u>	<u>16,529</u>

12 Creditors: amounts falling due after more than one year

	1999 £	1998 £
Due between 2 - 5 years		
Obligations under finance leases and hire purchase contracts	26,398	-

13 Reconciliation of movements in shareholders' funds

	1999 £	1998 £
Profit for the financial year	38,182	14,938
Dividends	(11,200)	(16,000)
Net addition to/(subtraction from) shareholders' funds	26,982	(1,062)
Opening shareholders' funds	6,540	7,602
Closing shareholders' funds	<u>33,522</u>	<u>6,540</u>

14 Called up share capital

	1999		1998	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid				
Ordinary shares of £1 each	<u>600</u>	<u>600</u>	<u>600</u>	<u>600</u>

THE CENTRAL FINANCE BUREAU LIMITED

NOTES ON FINANCIAL STATEMENTS

31 March 1999

15 Profit and loss account

	1999 £
31 March 1998	5,940
Retained profit for the year	26,982
31 March 1999	<u>32,922</u>

16 Related party transactions and transactions involving director

Company name	% Shareholding	Amount £
Birmingham Mortgage Company Limited	5%	86,000
Central Independent Financial Services Limited	47.6%	4,000
Central Leisure Loans Limited	10%	9,000

The company was also charged management fees by Central Independent Financial Services Limited during the year amounting to £7,000.

Amounts outstanding in respect of these transactions are shown in note 10 to these financial statements.