

A. R. COPY

BUTTERFLY WORLD LIMITED

REPORT AND ACCOUNTS

31 MARCH 1995

UNAUDITED



COMPANY NUMBER: 2249318

BUTTERFLY WORLD LIMITED  
 DIRECTORS' REPORT  
 FOR THE YEAR ENDED 31 MARCH 1995

DIRECTORS      G S Welsh                      Chairman  
                  P T Hill

The directors present their report and accounts for the year ended 31 March 1995.

#### ACTIVITIES

The company's principal activity is that of a butterfly farm.

#### DIRECTORS AND THEIR INTERESTS

The directors holding office at 31 March 1995 had the following interests in the share capital of the company:

	31 March 1995	1 April 1994
G S Welsh	50	50
P T Hill      (appointed 28.1.95)	50	-
A Grieveson    (retired 28.1.95)	-	50

#### AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution to re-appoint Waltons as the company's auditors will be proposed at the Annual General Meeting, although at present no audit is required by virtue of Section 249A(2) of the Companies Act 1985.

#### EXEMPTION

In preparing this report, the board has taken advantage of special exemptions available to small companies.

By order of the board

X 

X GSW

G S Welsh  
 Director

X 26.04.96

X Date

**ACCOUNTANTS' REPORT**  
**TO THE SHAREHOLDERS OF BUTTERFLY WORLD LIMITED**

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We have examined, without carrying out an audit, the accounts for the year ended 31 March 1995 set out on pages 3 to 7.

**Directors' responsibility for the accounts**

As described on the balance sheet on page 4 the company's directors are responsible for preparing from the accounting records accounts which show a true and fair view of the company's affairs.

**Our responsibility**

We are only required to compare the accounts with the company's accounting records and with the requirements of the Companies Act 1985 and report to you. We have neither reviewed nor audited the accounts and accounting records and express no audit opinion on them.

**Limitation of liability**

Our responsibility for this report is only to the company. We accept no liability to any other party.

**Accountants' report**

Based on the limited work described above we consider that:

- (a) the accounts on pages 3 to 7 are in agreement with the company's accounting records;
- (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 requirements of the Companies Act 1985 so far as applicable to the company; and
  - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year and did not, at any time within the year, fall within any of the categories of companies not entitled to the exemption.



**WALTONS**  
Chartered Accountants  
Reporting Accountants

Hartlepool

26 April 1996....

BUTTERFLY WORLD LIMITED  
 PROFIT AND LOSS ACCOUNT - UNAUDITED  
 FOR THE YEAR ENDED 31 MARCH 1995

	Notes	1995 £	1994 £
TURNOVER		98,795	127,703
Cost of sales		(39,393)	(40,749)
GROSS PROFIT		59,402	86,954
Distribution costs		(1,273)	(3,049)
Administrative expenses		(72,381)	(76,215)
OPERATING (LOSS)/PROFIT	2	(14,252)	7,690
Other interest receivable and similar income		200	-
Interest payable and similar charges		(3,790)	(3,646)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(17,842)	4,044
Tax on loss/profit on ordinary activities		-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	9	(17,842)	4,044

There are no recognised gains or losses other than as shown above.

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

BUTTERFLY WORLD LIMITED  
BALANCE SHEET - UNAUDITED  
31 MARCH 1995

	Notes	1995 £	1994 £
<b>FIXED ASSETS</b>			
Tangible assets		132,021	158,815
<b>CURRENT ASSETS</b>			
Stocks		18,054	33,918
Debtors	4	4,557	9,662
Cash at bank and in hand		853	1,175
		<u>23,464</u>	<u>44,755</u>
<b>CREDITORS: amounts falling due within one year</b>	5	<b>(77,395)</b>	<b>(140,005)</b>
<b>NET CURRENT (LIABILITIES)</b>		<b>(53,931)</b>	<b>(95,250)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<b>78,090</b>	<b>63,565</b>
<b>CREDITORS: amounts falling due after more than one year</b>	6	<b>(60,962)</b>	<b>(28,595)</b>
<b>NET ASSETS</b>		<b>17,128</b>	<b>34,970</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	100	100
Profit and loss account	9	17,028	34,870
<b>SHAREHOLDERS' FUNDS</b>	9	<b>17,128</b>	<b>34,970</b>

In the directors' opinion the company was entitled under Section 249A(2) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 31 March 1995. No notice from members requiring an audit has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its accounts for the financial year.

The directors are responsible for ensuring that the company keeps accounting records which comply with Section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each year in accordance with the requirements of Section 226 of the Act and which otherwise comply with its requirements, so far as applicable to the company.

In preparing these accounts, the board has taken advantage of special exemptions available to small companies under Section 246 of the Act, on the grounds that the company qualifies as small for the year ended 31 March 1995.

Approved by the board on X 26.09.96 X Date  
and signed on its behalf.

G S Welsh  
Director

P T Hill  
Director

X *[Signature]*

X *P.T. Hill*

X GSW

X PTH

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

**BUTTERFLY WORLD LIMITED**  
**NOTES TO THE ACCOUNTS - UNAUDITED**  
**FOR THE YEAR ENDED 31 MARCH 1995**

**1. ACCOUNTING POLICIES**

**(a) Basis of accounting**

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards. The directors have taken advantage of certain exemptions available to small companies under the Companies Act 1985, on the grounds that the company qualifies as a small company.

**(b) Turnover**

Turnover represents amounts receivable in respect of sales and services made by the company, excluding VAT.

**(c) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost, less depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Plants and livestock	- Nil
Freehold buildings	- 21 years straight line
Fixtures and fittings	- 10% reducing balance
Plant and machinery	- 10% reducing balance

Plants and livestock in the display areas of the company's premises are included at the directors estimated cost, using the base stock method. The purchase of new stock lines is capitalised at cost and not depreciated. Replacements are written off against profit in the accounting period in which they occur. This is a change from previous policy which treated this item as trading stock. The change in policy does not affect the result for the year.

**(d) Leasing and hire purchase commitments**

Rentals paid under other leases (operating leases) are charged against income on a straight line basis over the lease term.

**(e) Stocks**

Stocks of goods for resale are stated at the lower of cost and net realisable value.

**(f) Foreign currency translation**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

<b>2. OPERATING (LOSS)/PROFIT is stated after charging:</b>	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>
Depreciation of fixed assets	2,611	8,829
Compensation to former director	10,000	-
Operating lease rentals	5,895	7,037
	<u>          </u>	<u>          </u>

BUTTERFLY WORLD LIMITED  
 NOTES TO THE ACCOUNTS - UNAUDITED (CONTINUED)  
 FOR THE YEAR ENDED 31 MARCH 1995

3. TANGIBLE FIXED ASSETS

	Freehold buildings £	Fixtures and livestock £	Total £
<b>Cost</b>			
1 April 1994	157,837	17,214	175,051
Additions	-	25,000	25,000
Written off	(48,885)	(298)	(49,183)
<b>31 March 1995</b>	<b>108,952</b>	<b>41,916</b>	<b>150,868</b>
<b>Depreciation</b>			
1 April 1994	14,204	2,032	16,236
Charge for the year	7,516	1,719	9,235
Written off	(6,563)	(61)	(6,624)
<b>31 March 1995</b>	<b>15,157</b>	<b>3,690</b>	<b>18,847</b>
<b>Net book value</b>			
<b>31 March 1995</b>	<b>93,795</b>	<b>38,226</b>	<b>132,021</b>
<b>31 March 1994</b>	<b>143,633</b>	<b>15,182</b>	<b>158,815</b>

4. DEBTORS

	1995 £	1994 £
Trade debtors	-	1,404
Other debtors	4,557	8,258
	<b>4,557</b>	<b>9,662</b>

5. CREDITORS: amounts falling due within one year

	1995 £	1994 £
Bank loans and overdraft	38,938	43,778
Trade creditors	24,966	63,274
Other creditors	13,491	32,953
	<b>77,395</b>	<b>140,005</b>

6. CREDITORS: amounts falling due after more than one year

	1995 £	1994 £
Bank loans	19,482	28,595
Other creditors	41,480	-
	<b>60,962</b>	<b>28,595</b>

BUTTERFLY WORLD LIMITED  
 NOTES TO THE ACCOUNTS - UNAUDITED (CONTINUED)  
 FOR THE YEAR ENDED 31 MARCH 1995

7.	LOANS	1995	1994
		£	£
	Maturity		
	In one year or less	20,535	18,524
	Between one and two years	7,655	7,035
	Between two and five years	11,827	16,512
	In five years or more	-	5,048
		<u>40,017</u>	<u>47,119</u>
8.	SHARE CAPITAL		
		Authorised	Allotted, called up and fully paid
		1995	1994
		£	£
	£1 Ordinary shares	<u>20,000,000</u>	<u>20,000,000</u>
		<u>100</u>	<u>100</u>
9.	SHAREHOLDERS' FUNDS		
		Share capital	Profit and loss account
		£	£
	1 April 1993	100	30,826
	Retained profit for year	-	4,044
		<u>100</u>	<u>34,870</u>
	31 March 1994		34,970
	Retained (loss) for year	-	(17,842)
		<u>100</u>	<u>17,028</u>
	31 March 1995		<u>17,128</u>
10.	FINANCIAL COMMITMENTS		
	At 31 March 1995 the company had annual commitments under non-cancellable operating leases of land and buildings as follows:		
		1995	1994
		£	£
	Expiry date:		
	In over five years	<u>10,000</u>	-