

SIGNED

FLETCHER & NEWHOUSE LIMITED

FINANCIAL STATEMENTS

31 MARCH 1999



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FLETCHER & NEWHOUSE LIMITED

DIRECTOR

P C Fletcher

REGISTERED OFFICE

Tattershall House
19 St Catherine's Road
Grantham
NG31 6TT

SECRETARY

S Fletcher

COMPANY REGISTRATION NO.

02327701

DIRECTOR'S REPORT

The Director submits his report and accounts for the year ended 31 March 1999.

TRADING RESULT

The profit for the year after taxation amounted to £3,597 (1998 loss £1,804). This amount has been transferred to reserves.

REVIEW OF THE BUSINESS

The director considers that the results are satisfactory.

DIRECTOR AND HIS INTEREST

The name of the director who served during the year is shown above and his interest in the shares of the Company is shown below:-

| | Number of Shares Held | |
|--------------|------------------------------|----------------------|
| | 31 March 1999 | 31 March 1998 |
| P C Fletcher | <u>100</u> | <u>100</u> |

FLETCHER & NEWHOUSE LIMITED

DIRECTOR'S REPORT (CONT'D)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the director to prepare accounts 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 for that period. In preparing those accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 accounts comply with the Companies Act. 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.



S Fletcher
Secretary

11 November 1999

**REPORT OF THE ACCOUNTANTS
TO THE DIRECTOR OF FLETCHER & NEWHOUSE LIMITED**

As described on pages 2 and 5 you are responsible for the preparation of the accounts and you consider that the company is exempt from an audit. In accordance with your instructions and in order to assist you to fulfil your responsibilities, we have prepared the accounts on pages 4 to 8 from the accounting records and from the information and explanations supplied to us. We have not carried out an audit.



CALLOW & HOLMES
Chartered Accountants
Tattershall House
19 St Catherine's Road
Grantham
Lincs
NG31 6TT

11 November 1999

FLETCHER & NEWHOUSE LIMITED

PROFIT & LOSS ACCOUNT YEAR ENDED 31 MARCH 1999

| | Note | 1999 £ | 1998 £ |
|--|-----------|--------------------|-----------------------|
| Turnover | 1a | 109,880 | 165,476 |
| Cost of Sales | | <u>(77,060)</u> | <u>(95,573)</u> |
| Gross Profit | | 32,820 | 69,903 |
| Administration | | <u>(29,539)</u> | <u>(69,857)</u> |
| Net (Loss)/Profit before Taxation | 2 | 3,281 | 46 |
| Taxation | 4 | <u>316</u> | <u>(1,850)</u> |
| (Loss) retained for the year | 11 | <u><u>3597</u></u> | <u><u>(1,804)</u></u> |

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains and losses other than as disclosed above and there have been no discontinued activities or acquisitions in the period.

FLETCHER & NEWHOUSE LIMITED

BALANCE SHEET AS AT 31 MARCH 1999

| | | 1999 | 1998 |
|---|----|-----------------|-----------------|
| | | £ | £ |
| Fixed Assets | | | |
| Tangible Assets | 5 | 31,368 | 35,812 |
| Current Assets | | | |
| Stock | 6 | - | 11,250 |
| Debtors | 7 | 20,785 | 39,205 |
| Cash at Bank | | <u>287</u> | <u>2,708</u> |
| | | 21,072 | 53,163 |
| Creditors (amounts falling due within one year) | 8 | <u>(21,505)</u> | <u>(54,747)</u> |
| | | (433) | (1,584) |
| | | 30,935 | 34,228 |
| Creditors (amounts falling due over one year) | 9 | <u>(13,692)</u> | <u>(20,582)</u> |
| | | <u>17,243</u> | <u>13,646</u> |
| Represented by: | | | |
| Capital & Reserves | | | |
| Called up Share Capital | 10 | 100 | 100 |
| Revenue Reserves | 11 | <u>17,143</u> | <u>13,546</u> |
| | | <u>17,243</u> | <u>13,646</u> |

These accounts have been prepared for shareholders (utilising the accounting exemptions and audit exemptions available to a small company). All References to section numbers which follow relate to the Companies Act 1985.

The directors:

- confirm that for the year ending 31 March 1999 the company was entitled to the exemption under subsection (1) of section 249A;
- confirm that no notice requiring an audit had been deposited under subsection (2) of s249B in relation to the accounts for the financial year; and
- acknowledge their responsibility for:
 - ensuring that the company keep accounting records which comply with section 221; and
 - 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 for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

The directors have taken advantage of exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985, applicable to small companies in the preparation of their accounts, and have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions as a small company.

Approved by the Board on 11 November, 1999


P C Fletcher
Director

FLETCHER & NEWHOUSE LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 1999

1. ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

- (a) Turnover
Turnover represents the sales value of work carried out by the Company during the year excluding Value Added Tax.
- (b) Stock
Raw material stocks are stated at the lower of cost or net realisable value.
- (c) Fixed Assets and Depreciation

Fixed assets are stated at cost less depreciation.
- (d) Deferred Taxation
Provision for deferred taxation, is made only in respect of timing differences which are expected, with reasonable probability, to result in a taxation liability in the foreseeable future.
- (e) Cash Flow Statement
The company has taken advantage of the exemption granted in Financial Reporting Standard 1 from the requirement to produce a Cash Flow Statement.

2. PROFIT ON ORDINARY ACTIVITIES

The profit is stated after charging the following:-

| | 1999 £ | 1998 £ |
|--------------|--------------|---------------|
| Depreciation | <u>6,944</u> | <u>17,956</u> |

3. DIRECTOR'S REMUNERATION

The director received no remuneration for the year.

4. TAXATION

The taxation charge/(credit) comprises:-

| | | |
|---|--------------|--------------|
| UK Corporation Tax: | | |
| Current year charge at 21% (1998 - 21%) | - | - |
| Prior Year adjustment | (316) | 1850 |
| | <u>(316)</u> | <u>1,850</u> |

FLETCHER & NEWHOUSE LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 1999

5. TANGIBLE FIXED ASSETS

| | Plant & Equipment | Vehicles | Total |
|----------------------------------|----------------------|----------------|----------------|
| COST | | | |
| At 1 April 1998 | 4,022 | 102,500 | 106,522 |
| Additions during the year | 2,500 | - | 2,500 |
| Disposal | - | (2,250) | (2,250) |
| | <u>6,522</u> | <u>100,250</u> | <u>106,772</u> |
| At 31 March 1999 | | | |
| DEPRECIATION | | | |
| At 1 April 1998 | 2,007 | 68,703 | 70,710 |
| Charge for the year | 979 | 5,965 | 6,944 |
| Disposal | - | (2,250) | (2,250) |
| | <u>2,986</u> | <u>72,418</u> | <u>75,404</u> |
| At 31 March 1999 | | | |
| Net Book Amount at 31 March 1999 | <u>3,536</u> | <u>27,832</u> | <u>31,368</u> |
| Net Book Amount at 31 March 1998 | <u>2,015</u> | <u>33,797</u> | <u>35,812</u> |

6. STOCKS

| | 1999 £ | 1998 £ |
|------------------------------|-----------|-----------|
| Packing Materials and Crates | - | 11,250 |

The Director considers that there is no material difference between the amount at which stocks are stated and their replacement cost.

7. DEBTORS

| | | |
|--------------------------------|---------------|---------------|
| Trade Debtors | 11,842 | 27,484 |
| Amounts due from related party | 8,384 | 11,605 |
| Other Debtors | 116 | 116 |
| Corporation Tax | 428 | - |
| Interest on Corporation Tax | 15 | - |
| | <u>20,785</u> | <u>39,205</u> |

FLETCHER & NEWHOUSE LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 1999

8. CREDITORS (amounts falling due within one year)

| | 1999 | 1998 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Trade Creditors | 287 | 18,052 |
| Other Creditors | | |
| VAT | 2,483 | 6,326 |
| PAYE & NIC | 1,494 | 10,800 |
| Accruals | 250 | 8,754 |
| Corporation Tax | - | 3,368 |
| Amounts due on Finance Lease | 6,890 | 6,890 |
| Insurance Premium Tax | 906 | 557 |
| Bank Overdraft | 9,195 | - |
| | <u>21,505</u> | <u>54,747</u> |

9. CREDITORS (amounts falling due over one year)

| | | |
|--|---------------|---------------|
| Amounts due on Finance Lease | <u>13,692</u> | <u>20,582</u> |
| The Maturity of Obligations under Finance Leases is as follows:- | | |
| Within one year | 6,890 | 6,890 |
| In the Second to Fifth Years | <u>13,692</u> | <u>20,582</u> |
| | <u>20,582</u> | <u>27,472</u> |

10. CALLED UP SHARE CAPITAL

| | | |
|----------------------------|---------------|---------------|
| Authorised: | | |
| Ordinary Shares of £1 each | <u>10,000</u> | <u>10,000</u> |
| Issued: | | |
| Ordinary Shares of £1 each | <u>100</u> | <u>100</u> |

11. REVENUE RESERVES

| | | |
|-----------------------------|---------------|---------------|
| Balance as at 1 April 1998 | 13,546 | 15,350 |
| Profit/(Loss) for the Year | <u>3,597</u> | <u>(1804)</u> |
| Balance as at 31 March 1999 | <u>17,143</u> | <u>13,546</u> |