

FORMATIVE YEARS GROUP LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER 1999



ROTHMAN PANTALL & CO

CHARTERED ACCOUNTANTS

SUTTON SURREY

FORMATIVE YEARS GROUP LIMITED

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# FORMATIVE YEARS GROUP LIMITED

## DIRECTOR'S REPORT

### DIRECTOR

Mrs E Adkins

### SECRETARY

S E Peck

### REGISTERED OFFICE

214 Totterdown Street  
Tooting  
London  
SW17 8TD

### REGISTERED NUMBER

2516984

## FINANCIAL STATEMENTS

The director submits her report and the financial statements for the year ended 31st December 1999.

## DIRECTORS RESPONSIBILITIES

Company law requires directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company for that period.

In preparing those financial statements the directors are required to select suitable accounting policies and then apply them consistently. The directors are also required to make judgements and estimates that are reasonable and prudent. Finally they must prepare 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.

## DIVIDENDS

The director does not recommend the payment of a dividend.

## REVIEW OF THE BUSINESS

The company's principal activity during the year was that of property management and letting.  
The director is pleased to report a pre-tax profit of £16,388 for the year.

## DIRECTOR'S INTERESTS

The director's interest in the share capital of the company was as follows:

|              | 31st December 1999<br><u>£1 Ordinary Shares</u> | 31st December 1998<br><u>£1 Ordinary Shares</u> |
|--------------|---|---|
| Mrs E Adkins | 2   | 2   |

## SMALL COMPANY EXEMPTION

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board



Mrs E Adkins  
Director

DATE 24.10.00

FORMATIVE YEARS GROUP LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 1999

|   | <u>NOTE</u> | <u>£</u> | <u>1999</u>   | <u>£</u>       | <u>£</u> | <u>1998</u>   | <u>£</u>       |
|---|-------------|----------|---------------|----------------|----------|---------------|----------------|
| <u>FIXED ASSETS</u>                                   |             |          |               |                |          |               |                |
| Tangible assets                                       | 2           |          |               | 275,000        |          |               | 275,000        |
| <u>CURRENT ASSETS</u>                                 |             |          |               |                |          |               |                |
| Debtors   | 3           |          | 101           |                |          | 101           |                |
| Bank balances and cash                                |             |          | <u>697</u>    |                |          | <u>1,048</u>  |                |
|   |             |          | 798           |                |          | 1,149         |                |
| <u>CREDITORS: amounts falling due within one year</u> | 4           |          | <u>84,289</u> |                |          | <u>97,703</u> |                |
| <u>NET CURRENT LIABILITIES</u>                        |             |          |               | (83,941)       |          |               | (96,554)       |
| <u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>          |             |          |               | 191,509        |          |               | 178,446        |
| <u>CREDITORS: amounts falling due after one year</u>  | 5           |          |               | <u>54,833</u>  |          |               | <u>54,833</u>  |
|   |             |          |               | <u>136,676</u> |          |               | <u>123,613</u> |
| <u>CAPITAL AND RESERVES</u>                           |             |          |               |                |          |               |                |
| Called up share capital                               | 6           |          |               | 2              |          |               | 2              |
| Profit and loss account                               | 7a          |          |               | 66,531         |          |               | 53,468         |
| Investment Revaluation Reserve                        | 7b          |          |               | <u>70,143</u>  |          |               | <u>70,143</u>  |
|   |             |          |               | <u>136,676</u> |          |               | <u>123,613</u> |

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

In the Director's opinion the company is entitled to the exemption from audit conferred by sub-Section 1 of Section 249A Companies Act 1985 for the year ended 31st December 1999.

The Director confirms that no notice under Section 249B(2) Companies Act 1985 requiring an audit has been deposited by members.

The Director confirms that she is responsible for:

- ensuring that the company keeps accounting records which comply with the requirements of Section 221 Companies Act 1985, and
- preparing accounts which give a true and fair view of the state of affairs of the company as at 31st December 1999 and of its results for the year then ended in accordance with the requirements of Section 226 Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS ON 24.10.00 (Date)

E. M. Adkins  
E Adkins

FORMATIVE YEARS GROUP LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1999

|  | <u>NOTE</u> | <u>1999</u><br>£ | <u>1998</u><br>£ |
|--|-------------|------------------|------------------|
| <u>TURNOVER</u>                                      |             | 26,000           | 22,000           |
| Administrative expenses                              |             | <u>4,269</u>     | <u>3,823</u>     |
| <u>OPERATING PROFIT</u>                              |             | 21,731           | 18,177           |
| Interest receivable                                  | 10          | -                | 4                |
| Interest payable                                     | 9           | <u>(5,343)</u>   | <u>(5,673)</u>   |
| <u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u> |             | 16,388           | 12,508           |
| Tax on profit on ordinary activities                 | 8           | <u>3,325</u>     | <u>2,624</u>     |
| <u>RETAINED PROFIT FOR THE YEAR</u>                  | 7a          | <u>13,063</u>    | <u>9,884</u>     |

FORMATIVE YEARS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1999

1. ACCOUNTING POLICIES

a) Accounting Convention

The financial statements have been prepared under the historical cost convention.

b) Deferred Taxation

Provision is made on the liability method for deferred taxation in respect of material timing differences which are expected to reverse within the foreseeable future.

c) Turnover

Turnover is calculated net of value added tax and represents the total amount receivable by the company in respect of services supplied during the year and is wholly attributable to its principal activity.

d) Depreciation

The Companies Act 1985 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in Statement of Standard Accounting Practice No.19. The director considers that, as the property is not held for consumption, but for investment potential, to depreciate it would not give a true and fair view.

2. TANGIBLE ASSETS

Movements during the year are summarised as follows:

|                          | Freehold<br>Premises |
|--------------------------|----------------------|
|                          | <u>£</u>             |
| <u>COST</u>              |                      |
| As at 1st January 1999   | 275,000              |
| As at 31st December 1999 | <u>275,000</u>       |
| <u>DEPRECIATION</u>      |                      |
| As at 1st January 1999   | -                    |
| Charged                  | <u>-</u>             |
| As at 31st December 1999 | <u>-</u>             |
| <u>NET BOOK VALUE</u>    |                      |
| As at 31st December 1999 | <u>275,000</u>       |
| As at 31st December 1998 | <u>275,000</u>       |

The Director considers that the above value equates to the open market value.

FORMATIVE YEARS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 1999

3. DEBTORS

|         | <u>1999</u> | <u>1998</u> |
|---------|-------------|-------------|
|         | <u>£</u>    | <u>£</u>    |
| Debtors | <u>101</u>  | <u>101</u>  |

All amounts included above are receivable within one year of the Balance Sheet date.

4. CREDITORS: amounts falling due within one year

|                         | <u>1999</u>   | <u>1998</u>   |
|-------------------------|---------------|---------------|
|                         | <u>£</u>      | <u>£</u>      |
| Bank loan               | 43,781        | 56,525        |
| Other creditors         | 36,537        | 37,935        |
| Current corporation tax | 3,325         | 2,626         |
| Accruals                | <u>646</u>    | <u>617</u>    |
|                         | <u>84,289</u> | <u>97,703</u> |

The bank loan is secured on the freehold property and is repayable on demand.

5. CREDITORS: amounts falling due after one year.

There is no fixed repayment period for the loan of £54,833 payable to the director.

6. SHARE CAPITAL

The authorised share capital is 100 ordinary shares of £1 each.

The issued share capital is 2 ordinary shares of £1 each, fully paid.

7.a) PROFIT AND LOSS ACCOUNT

|                               | <u>1999</u>    | <u>1998</u>    |
|-------------------------------|----------------|----------------|
|                               | <u>£</u>       | <u>£</u>       |
| Balance at 1st January 1999   | 123,611        | 43,584         |
| Revaluation                   | -              | 70,143         |
| Retained profit for the year  | <u>13,063</u>  | <u>9,884</u>   |
| Balance at 31st December 1999 | <u>136,674</u> | <u>123,611</u> |

7.b) INVESTMENT REVALUATION RESERVE

|                               | <u>1999</u>   | <u>1998</u>   |
|-------------------------------|---------------|---------------|
|                               | <u>£</u>      | <u>£</u>      |
| Balance at 1st January 1999   | 70,143        | -             |
| Revaluation                   | <u>-</u>      | <u>70,143</u> |
| Balance at 31st December 1999 | <u>70,143</u> | <u>70,143</u> |

FORMATIVE YEARS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 1999

8. TAXATION

|   | <u>1999</u>  | <u>1998</u>  |
|---|--------------|--------------|
|   | <u>£</u>     | <u>£</u>     |
| Overprovision in respect of earlier year                          | -            | (2)          |
| Corporation tax based on current profit @ 21%/20%<br>(1998 - 21%) | <u>3,325</u> | <u>2,626</u> |
| As per profit and loss account                                    | <u>3,325</u> | <u>2,624</u> |

The 'close' company provisions of the Income and Corporation Taxes Act 1988 apply to the company.

9. INTEREST PAYABLE

|               | <u>1999</u>  | <u>1998</u>  |
|---------------|--------------|--------------|
|               | <u>£</u>     | <u>£</u>     |
| Bank interest | 5            | 841          |
| Bank loan     | <u>5,338</u> | <u>4,832</u> |
|               | <u>5,343</u> | <u>5,673</u> |

10. INTEREST RECEIVABLE

|                           | <u>1999</u> | <u>1998</u> |
|---------------------------|-------------|-------------|
|                           | <u>£</u>    | <u>£</u>    |
| Deposit interest received | <u>-</u>    | <u>4</u>    |

11. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31st December 1999 the director had authorised no further capital expenditure (1998 - nil). There were no contingent liabilities at the Balance Sheet date (1998 - nil).

12. RELATED PARTY TRANSACTIONS

The company received all its rental income from a business run by Mrs E Adkins.