

FARA ENTERPRISES LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 1995

Registered number: 2697467

ROTHMAN PANTALL & CO

CHARTERED ACCOUNTANTS



FARA ENTERPRISES LIMITED

DIRECTORS' REPORT

31 December 1995

The directors present their report and the audited financial statements for the year ended 31 December 1995.

Principal activity

The principal activity of the company is the sale of donated goods for the purposes of making charitable donations.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	31 December 1995 Ordinary shares	1 January 1995 Ordinary shares
J C Faure-Alderson	-	-
M N W Greenwood	-	-
M L Faure-Alderson	1	1

The share is beneficially held on behalf of the Faure-Alderson Romanian Appeal, a registered charity 1004911 of which the company is a wholly owned subsidiary. M L Faure-Alderson is a trustee of this charity.

Donations

During the year the company donated £59,203 to the Faure-Alderson Romanian Appeal.


Auditors

The Company has elected to dispense with the annual appointment of auditors. In the absence of a specific resolution to the contrary Rothman Pantall & Co will continue in office.

Small company exemptions

Advantage has been taken in the preparation of this report of special exemptions available to small companies.

On behalf of the board



M N W Greenwood
Secretary

...8th July.....1996

FARA ENTERPRISES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law 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 we are required to:


- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

...8th July.....1996

On behalf of the board



M N W Greenwood Esq
Director

FARA ENTERPRISES LIMITED
AUDITORS' REPORT
Auditors' report to the members of
Fara Enterprises Limited

We have audited the financial statements on pages 4 to 9 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2, 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.

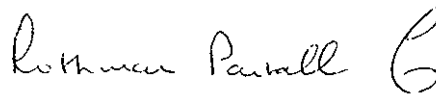
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. However, the evidence available to us was limited because all of the company's recorded turnover comprises cash sales which cannot be fully controlled and therefore are not susceptible to independent audit verification. There were no other satisfactory audit procedures that we could adopt to confirm that cash sales were properly recorded.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Qualified opinion arising from limitation in scope

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning cash sales, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1995 and of its deficit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

...8th July.....1996


Rothman Pantall & Co
Chartered Accountants
Registered Auditors

FARA ENTERPRISES LIMITED
INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 1995

	Note	1995 £	1994 £
Turnover		416,398	246,946
Net operating expenses			
Administrative expenses		(358,928)	(228,480)
Other operating income		34	-
Surplus on ordinary activities	2	57,504	18,466
Charitable donations	3	(59,203)	(20,546)
(Deficit) on ordinary activities before interest		(1,699)	(2,080)
Interest payable		(1,424)	(758)
(Deficit) on ordinary activities before taxation		(3,123)	(2,838)
Taxation	4	196	(270)
(Deficit) for the year	11	£ (2,927)	£ (3,108)

Movements in reserves are shown in note 11.

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

There are no recognised gains and losses in 1995 or 1994 other than the deficit for the year.

The notes on pages 6 to 9 form part of these financial statements.

FARA ENTERPRISES LIMITED

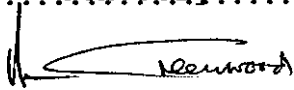
BALANCE SHEET

at 31 December 1995

	Note	1995		1994	
		£	£	£	£
Fixed assets					
Tangible assets	5		22,558		9,184
Current assets					
Debtors	6	13,529		9,532	
Cash at bank and in hand		28,685		4,977	
		<u>42,214</u>		<u>14,509</u>	
Creditors: amounts falling due within one year	7	<u>(34,356)</u>		<u>(22,771)</u>	
Net current assets/(liabilities)			7,858		(8,262)
Total assets less current liabilities			<u>30,416</u>		<u>922</u>
 Creditors: amounts falling due after more than one year	8		35,937		3,516
Called up share capital	10	2		2	
Income and expenditure account	11	<u>(5,523)</u>		<u>(2,596)</u>	
Total shareholders' funds	9		<u>(5,521)</u>		<u>(2,594)</u>
			<u>30,416</u>		<u>922</u>

The directors have taken advantage in the preparation of these financial statements of special exemptions provided by Part I of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The financial statements on pages 4 to 10 were approved by the board of directors on ...8th July.....1996.


M N W Greenwood
Director

The notes on pages 7 to 10 form part of these financial statements.

FARA ENTERPRISES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1995

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 conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

Format of accounts

The format of the Profit and Loss Account has not been prepared in accordance with the prescribe formats given in Schedule 4 Companies Act 1985. The Profit and Loss Account has been described as the Income and Expenditure Account and no reference has been made to profit or loss which have been described as surplus or deficit. The directors are of the opinion that this presentation reflects more fairly the activity of the company which is the trading entity of a Charitable Trust.

Depreciation

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

Leasehold land and buildings	Over the period of the lease
Fixtures and fittings	20% straight line basis

Deferred Taxation

Provision is made in respect of accelerated capital allowances and other short term timing differences to the extent that a liability is expected to crystallise in the foreseeable future.

Turnover

This represents UK sales of donated charity goods.

2 Surplus on ordinary activities

	1995 £	1994 £
The surplus is stated after crediting		
Interest receivable	34	-
and after charging		
Auditors' remuneration	2,105	1,651
Operating leases	-	180
Hire of assets	110,376	75,968
Rent		
Depreciation of tangible fixed assets (note 5)	7,584	3,758
owned assets		

FARA ENTERPRISES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1995

3 Charitable donations

	1995 £	1994 £
Charity donations	59,203	20,546

4 Taxation

	1995 £	1994 £
Corporation tax on profit on ordinary activities at 25% (1994 25%)	-	196
(Over)/under provision in earlier years	(196)	74
	(196)	270

5 Tangible fixed assets

	Land and Buildings £	Fixtures and Fittings £	Total £
Cost or valuation			
1 January 1995	9,049	4,905	13,954
Additions	5,440	15,517	20,957
31 December 1995	14,489	20,422	34,911
Depreciation			
1 January 1995	3,509	12,353	4,769
Charge for year	3,500	4,084	7,584
31 December 1995	7,009	5,344	12,353
Net book amount			
31 December 1995	7,480	15,078	22,558
1 January 1995	5,540	3,644	9,184

6 Debtors

	1995 £	1994 £
Amounts falling due within one year		
Other debtors	13,529	9,532
	13,529	9,532

FARA ENTERPRISES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1995

7 Creditors: amounts falling due within one year

	1995 £	1994 £
Trade creditors	16,076	5,604
Other creditors	18,280	17,167
	<u>34,356</u>	<u>22,771</u>

8 Creditors: amounts falling due after more than one year

	1995 £	1994 £
Owed to parent undertaking	35,937	3,516
	<u>35,937</u>	<u>3,516</u>

The above amount is owed to the ultimate parent undertaking, the Faure-Alderson Romanian Appeal. The parent undertaking has given assurances that its support will not be withdrawn in the foreseeable future. In the director's opinion, the company can and will be able to meet its liabilities as they fall due. Therefore, it is considered reasonable to prepare the financial statements on a going concern basis.

9 Reconciliation of movements in shareholders' funds

	1995 £	1994 £
Deficit for the financial year representing a Net subtraction from shareholders' funds	(2,927)	(3,108)
Opening shareholders' funds	(2,594)	512
Closing shareholders' funds	<u>(5,521)</u>	<u>(2,596)</u>

10 Called up share capital

	1995		1994	
	Number of shares	£	Number of shares	£
Authorised				
Authorised share capital	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Allotted called up and fully paid				
Authorised share capital	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

FARA ENTERPRISES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 December 1995

11 Income and expenditure account

	1995 £
1 January 1995	(2,596)
Retained loss for the year	(2,927)
	<hr/>
31 December 1995	(5,523)
	<hr/>

12 Guarantees and other financial commitments

Financial commitments under operating leases will result in the following payments falling due in the year to 31 December 1995

	1995 Land and Buildings £	1994 Land and Buildings £
Expiring		
Within one year	11,850	-
Within two to five years	109,140	84,900
After five years	13,500	13,500
	<hr/>	<hr/>
	134,490	98,400
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13 Director's Transactions

During the year consultancy fees in the sum of £28,998 (1994: £24,996) were paid to Mr M N W Greenwood, a director of the company.

14 Ultimate parent undertaking

The company's ultimate parent undertaking at the balance sheet date was the Faure-Alderson Romanian Appeal. This undertaking is a charitable trust and is a registered charity-number 1004911.

15 Capital commitments

There were no capital commitments at the balance sheet date(1993:Nil)

16 Contingent liabilities

There were no contingent liabilities at the balance sheet date(1993:Nil)