

Company No: 02927846

SMART CUT LIMITED

FINANCIAL STATEMENTS

- for the year ended -

30 APRIL 1996

MORISON STONEHAM

Chartered Accountants
Mayfair House
5 Little London Court
Old Town
Swindon
Wiltshire



SMART CUT LIMITED

DIRECTOR

Mark Guy Rimell

SECRETARY

Linda Evans

BUSINESS ADDRESS

Bishampton Fields
Farm Cottage
Bishampton
Pershore

REGISTERED OFFICE

Mayfair House
5 Little London Court
Old Town
Swindon
Wiltshire

ACCOUNTANTS

Morison Stoneham
Chartered Accountants
Mayfair House
5 Little London Court
Old Town
Swindon
Wiltshire

PRINCIPAL BANKERS

National Westminster Bank plc
84 Commercial Road
Swindon
Wiltshire

SMART CUT LIMITED

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SMART GUT LIMITED

REPORT OF THE DIRECTOR

The director presents his report and the financial statements for the year ended 30 April 1996.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was the provision of grass mowing services.

A summary of the results of the year's trading is given on page 2 of the financial statements.

DIRECTOR AND HIS INTERESTS

The director at the balance sheet date and his interests in the company at that date and at the beginning of the year, were as follows:

	<u>Class of share</u>	<u>Number of shares</u>	
		<u>1996</u>	<u>1995</u>
Mark Guy Rimell	Ordinary shares	2	2

CLOSE COMPANY

The company is a close company as defined by the Income and Corporation Taxes Act 1988.


AUDITORS

The company has taken advantage of The Companies Act (Audit Exemption) Regulations 1994, and as such no audit is required.

SMALL COMPANY DISCLOSURE

In preparing this report, the director has taken advantage of the special exemptions applicable to small companies on the grounds that the company is small.

By Order of the Board



L Evans
Secretary

Date: 23 August 1996

SMART CUT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 1996

	Notes	1996 £	1995 £
TURNOVER		66,062	21,778
Cost of sales		(19,090)	(5,001)
GROSS PROFIT		46,972	16,777
Administrative expenses		(24,425)	(6,657)
OPERATING PROFIT	2	22,547	10,120
Interest receivable		303	172
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		22,850	10,292
Tax on profit on ordinary activities		(6,535)	(2,709)
PROFIT FOR THE FINANCIAL YEAR	9	16,315	7,583

All of the company's activities were acquired during the above two financial periods.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 5 to 8 form part of these financial statements.

SMART CUT LIMITED

BALANCE SHEET AT 30 APRIL 1996

	Notes	£	1996 £	£	1995 £
FIXED ASSETS					
Tangible assets	4		40,618		13,237
CURRENT ASSETS					
Debtors	5	21,405		4,863	
Cash at bank and in hand		16,579		4,426	
		<u>37,984</u>		<u>9,289</u>	
CREDITORS: Amounts falling due within one year	6	<u>(27,134)</u>		<u>(14,941)</u>	
NET CURRENT ASSETS			<u>10,850</u>		<u>(5,652)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			51,468		7,585
CREDITORS: Amounts falling due after more than one year	7		<u>(30,790)</u>		-
			<u>20,678</u>		<u>7,585</u>
CAPITAL AND RESERVES					
Called up share capital	8		2		2
Profit and loss account	9		20,676		7,583
Equity shareholders' funds			<u>20,678</u>		<u>7,585</u>

The statements required to be made by the company director and the signature required by the Companies Act 1985 are given on the following page.

The notes on pages 5 to 8 form part of these financial statements.

SMART CUT LIMITED

BALANCE SHEET AT 30 APRIL 1996 (Continued)

The director has taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirms that no notice has been deposited under section 249B(2) of the Companies Act 1985.

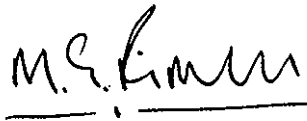
The director acknowledges his responsibilities for ensuring that:-

- i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;
- ii) The financial statements give a true and fair view of the state of affairs of the company as at 30 April 1996 and of its profit or loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as is applicable to the company.

In preparing these financial statements, the director has taken advantage of the special exemptions applicable to small companies on the grounds that the company is small.

The financial statements were approved by the board
23 August 1996 and signed on its behalf by:

M G Rimell



Director

The notes on pages 5 to 8 form part of these financial statements.

SMART CUT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1996

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

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

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 GOODWILL

The company's policy is to write off goodwill in the year of acquisition.

1.4 DEPRECIATION

Depreciation is provided using the rates to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Plant and machinery	25%	Reducing balance
Fixtures and fittings	25%	Reducing balance

1.5 DEFERRED TAXATION

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

2. OPERATING PROFIT

1996	1995
£	£

The operating profit is stated after charging:-

Depreciation	13,539	4,412
	<hr/>	<hr/>

SMART CUT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1996

3. INTANGIBLE ASSETS

	Goodwill £
<u>Cost</u>	
Additions	3,222
At 30 April 1996	<u>3,222</u>
<u>Amortisation</u>	
Written off	3,222
At 30 April 1996	<u>3,222</u>
<u>Net book value at 30 April 1996</u>	<u>-</u>
<u>Net book value at 30 April 1995</u>	<u>-</u>

4. TANGIBLE ASSETS

	Plant and machinery etc. £
<u>Cost</u>	
At 1 May 1995	17,649
Additions	44,520
Disposals	(3,600)
At 30 April 1996	<u>58,569</u>
<u>Depreciation</u>	
At 1 May 1995	4,412
Charge for year	13,539
At 30 April 1996	<u>17,951</u>
<u>Net book value at 30 April 1996</u>	<u>40,618</u>
<u>Net book value at 1 May 1995</u>	<u>13,237</u>

SMART CUT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1996

5. DEBTORS

	1996 £	1995 £
Trade debtors	13,792	4,514
Others	7,613	349
	<u>21,405</u>	<u>4,863</u>

6. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR

	1996 £	1995 £
Trade creditors	3,153	74
Other creditors	23,981	14,867
	<u>27,134</u>	<u>14,941</u>

7. CREDITORS: AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR

	1996 £	1995 £
Other creditors	30,790	-
	<u>30,790</u>	<u>-</u>

8. SHARE CAPITAL

	1996 £	1995 £
<u>Authorised</u>		
Equity interests:		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<u>Allotted, called up, unpaid</u>		
Equity interests:		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

SMART CUT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1996

9.	PROFIT AND LOSS ACCOUNT	1996 £	1995 £
	Retained profits at 1 May 1995	7,583	-
	Profit for the financial year	16,315	7,583
	Goodwill written off	(3,222)	-
		<hr/>	<hr/>
	Retained profits at 30 April 1996	20,676	7,583
		<hr/>	<hr/>
10.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	1996 £	1995 £
	Profit for the financial year	16,315	7,583
	Goodwill written off	(3,222)	-
		<hr/>	<hr/>
	Net addition to shareholders' funds	13,093	7,583
		<hr/>	<hr/>
	Shareholders' funds at 1 May 1995	7,585	2
		<hr/>	<hr/>
	Shareholders' funds at 30 April 1996	20,678	7,585
		<hr/>	<hr/>
	Represented by:-		
	Equity interests	20,678	7,585
		<hr/>	<hr/>
		20,678	7,585
		<hr/>	<hr/>
11.	REVENUE COMMITMENTS		
	Next year the company is committed to operating leases which expire within one year, in respect of land and buildings, amounting to £7,000.		
12.	RELATED PARTY TRANSACTIONS		
	Included within creditors due after more than one year is £30,790 owed to Tom Rimell. This represents a loan of £10,000 and £20,790 for the acquisition of fixed assets. Tom Rimell is the Manager of Smart Cut Limited.		

SMART GUT LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTOR OF SMART GUT LIMITED

In accordance with your instructions we have prepared, without audit, the financial statements for the year ended 30 April 1996 set out on pages 2 to 8 from your books and records and from information and explanations supplied to us.

Morison Stoneham

MORISON STONEHAM
Chartered Accountants

Date: 23 August 1996

Mayfair House
5 Little London Court
Swindon, Wiltshire
SN1 3EZ

SMART CUT LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 1996

	1996		1995	
	£	£	£	£
SALES		66,062		21,778
COST OF SALES				
Purchases	3,054		5,001	
Wages and salaries	13,002		-	
Fuel and oil	3,034		-	
		(19,090)		(5,001)
GROSS PROFIT	71.1%	46,972	77.0%	16,777
ADMINISTRATIVE EXPENSES		(24,425)		(6,657)
OPERATING PROFIT	34.1%	22,547	46.5%	10,120
OTHER INCOME AND EXPENSES				
Interest receivable:				
Bank deposit interest	303		172	
		303		172
NET PROFIT FOR THE YEAR		22,850		10,292

SMART CUT LIMITED

ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 30 APRIL 1996

	1996 £	1995 £
ADMINISTRATIVE EXPENSES		
Recruitment Cost	92	-
Insurance	223	-
Light and heat	300	-
Repairs and maintenance	2,848	-
Printing, postage and stationery	118	-
Advertising	350	-
Telephone	747	235
Hire of equipment	190	-
Motor expenses	621	-
Entertaining	22	-
Legal and professional	1,458	806
Audit and accountancy	1,085	1,200
Bank charges	74	4
Protective Clothing	163	-
Depreciation	13,539	4,412
Loss on disposal of fixed assets	2,595	-
	<u>24,425</u>	<u>6,657</u>