

COMPANIES HOUSE

CFS INDEPENDENT LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2001



Company No. 2960433

CFS INDEPENDENT LIMITED

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CFS INDEPENDENT LIMITED

COMPANY INFORMATION

Directors	A.O. Harwood S.H. Harwood
Secretary	S.H. Harwood
Company Number	2960433
Registered Office	2 Fisher Street London WC1R 4QA
Auditors	Bright Grahame Murray 124/130 Seymour Place London W1H 1BG

CFS INDEPENDENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2001

The directors present their report together with the audited financial statements for the year ended 31st March 2001.

Results and Dividends

The results for the year are set out in the profit and loss account on page 5.

The directors do not recommend the payment of a dividend

Principal Activity and Review of the Business

The principal activity of the company is the provision of investment advice with the majority of clients favouring security as opposed to adventure.

The directors are satisfied with the results for the year and the state of affairs of the company at the balance sheet date.

Directors and Their Interests

The directors at 31st March 2001 and their beneficial interests in the company's issued share capital were as follows:

	<u>At</u> <u>31st March 2001</u> <u>Ordinary Shares</u>	<u>At</u> <u>1st April 2000</u> <u>Ordinary Shares</u>
A.O. Harwood	500	500
S.H. Harwood	500	500

R. Prudence resigned as director of the company on 15th September 2000.

Directors' Responsibilities for the Financial Statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the company's affairs and of the profit or loss for that year. In preparing those financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the 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 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.

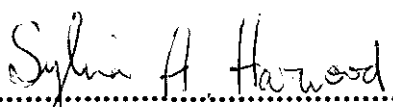
CFS INDEPENDENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2001

Auditors

A resolution to re-appoint Messrs Bright Grahame Murray, Chartered Accountants, of 124/130 Seymour Place, London, W1H 1BG., as auditors of the company will be proposed at the Annual General Meeting.

By order of the board


.....
Secretary

Date: 21/1/02

INDEPENDENT AUDITORS' REPORT TO THE

MEMBERS OF CFS INDEPENDENT LIMITED

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective Responsibilities of Directors and Auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Opinion

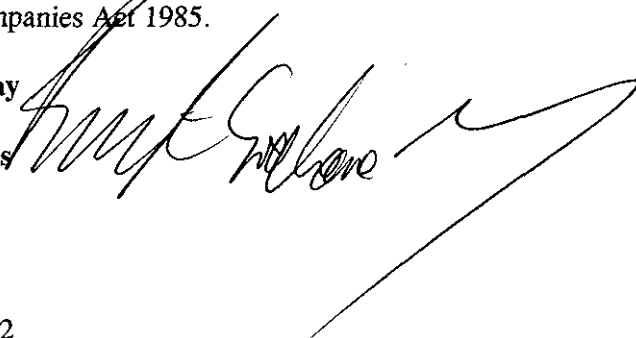
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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 other irregularity of error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Bright Grahame Murray
Chartered Accountants
and Registered Auditors
124/130 Seymour Place
London
W1H 1BG



Date: 22nd January 2002

CFS INDEPENDENT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2001

	Notes	2001 £	2000 £
Turnover	2	402,902	414,775
Administrative expenses		393,610	408,390
Operating Profit	3	9,292	6,385
Interest receivable		257	1,076
Interest payable	5	-	(6)
Profit on Ordinary Activities before Taxation		9,549	7,455
Tax on profit on ordinary activities	6	(360)	2,365
Profit for the Financial Year		9,909	5,090
Dividends	7	-	21,275
Retained Profit/(Loss) for the Financial Year		9,909	(16,185)
Retained profit brought forward		40,769	56,954
Retained profit carried forward		50,678	40,769

All amounts relate to continuing activities.

There were no recognised gains and losses for 2001 or 2000 other than those included in the profit and loss account.

CFS INDEPENDENT LIMITED

BALANCE SHEET AS AT 31ST MARCH 2001

	Notes	2001	2000
		£	£
Fixed Assets			
Tangible assets	8	15,097	26,774
Current Assets			
Debtors	9	1,107	1,107
Current asset investments	10	51,383	48,918
Cash at bank and in hand		4,084	200
		<u>56,574</u>	<u>50,225</u>
Creditors			
Amounts falling due within one year	11	<u>19,993</u>	<u>35,230</u>
Net Current Assets		<u>36,581</u>	<u>14,995</u>
Total Assets Less Current Liabilities		<u>51,678</u>	<u>41,769</u>
Capital and Reserves			
Share capital	12	1,000	1,000
Profit and loss account		50,678	40,769
Shareholders' funds	13	<u>51,678</u>	<u>41,769</u>

.....*S. H. Harwood*.....

Director

.....*Sylvia H. Harwood*.....

Director

Approved on: 21/1/02

CFS INDEPENDENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2001

1 Accounting Policies

Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:-

Furniture and equipment 25% to 33 1/3% p.a. on a straight line basis

Investments

Investments are stated at cost. Provision is made for permanent diminution in value.

Deferred Taxation

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse.

Pensions

The company operates a defined contribution scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Turnover

Turnover represents amounts received for services rendered less commission paid to third parties.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the United Kingdom.

3 Operating Profit

<i>This is stated after charging:</i>	2001	2000
	£	£
Depreciation of owned assets	13,570	12,985
Loss/(profit) on the sale of investments	5,573	(2,175)
Hire of equipment	4,549	1,992
Auditors' remuneration	4,156	3,000

CFS INDEPENDENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2001

4 Directors and Employees

Staff costs, including directors' remuneration, were as follows:

	2001	2000
	£	£
Wages and salaries	214,681	234,724
Social security costs	22,804	30,364
Other pension costs	32,536	32,809
Other costs	6,602	16,664
	<u>276,623</u>	<u>314,561</u>

The average monthly number of employees, including directors, during the year was as follows:

	2001	2000
	Number	Number
Administration	<u>7</u>	<u>7</u>

Directors' emoluments

	2001	2000
	£	£
For management services	<u>108,782</u>	<u>160,329</u>

5 Interest Payable and Similar Charges

	2001	2000
	£	£
Bank loans and overdrafts	<u>-</u>	<u>6</u>

6 Taxation

	2001	2000
	£	£
Based on the results for the year		
UK corporation tax at 20% (2000: 20%)	3,581	2,365
Corporation tax refund	(3,941)	-
	<u>(360)</u>	<u>2,365</u>

7 Dividends

	2001	2000
	£	£
Ordinary dividends - paid	<u>-</u>	<u>21,275</u>
	<u>-</u>	<u>21,275</u>

CFS INDEPENDENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2001

8 Tangible Fixed Assets

	Furniture and Equipment	Total
Cost	£	£
At 1st April 2000	47,742	47,742
Additions	1,893	1,893
At 31st March 2001	49,635	49,635
Depreciation		
At 1st April 2000	20,968	20,968
Charge for the year	13,570	13,570
At 31st March 2001	34,538	34,538
Net Book Value		
At 31st March 2001	15,097	15,097
<i>At 31st March 2000</i>	<i>26,774</i>	<i>26,774</i>

9 Debtors	2001	2000
	£	£
Other debtors	1,107	1,107
	1,107	1,107
10 Current Asset Investments	2001	2000
	£	£
Commercial Property Syndicate	17,670	25,205
Listed investments	33,713	23,713
	51,383	48,918

Market value of listed investments at 31 March 2001: £33,716 (2000: £12,255).

Listed investments are shown at cost and the directors are of the opinion that the investments have not suffered a permanent diminution in value.

The investment in the Commercial Property Syndicate is shown at cost and the directors are of the opinion that the market value is no less than this figure.

CFS INDEPENDENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2001

11	Creditors: Amounts Falling Due Within One Year	2001	2000
		£	£
	Bank overdraft	5,350	7,363
	Corporation tax	2,168	2,365
	Other taxes and social security	5,401	7,858
	Accruals and deferred income	7,074	17,644
		<u>19,993</u>	<u>35,230</u>
12	Share Capital	2001	2000
		£	£
	Authorised Equity Shares		
	1,000 Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>
	Allotted, called up and fully paid Equity Shares		
	1,000 Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>
13	Reconciliation of Shareholders' Funds	2001	2000
		£	£
	Profit for the financial year	9,909	5,090
	Dividends	-	(21,275)
		<u>9,909</u>	<u>(16,185)</u>
	Opening shareholders' funds	41,769	57,954
	Closing shareholders' funds	<u>51,678</u>	<u>41,769</u>
14	Related Party Transactions		

The company is controlled by the company's directors.

During the year the company paid rent on its premises totalling £23,505 (2000:£7,835) to A.Harwood Esq..