

THE WILLOW AGENCY LIMITED

ACCOUNTS

FOR THE YEAR ENDED 31ST MAY 1999

ROKED & COMPANY
Chartered Accountants
Canada House
272 Field End Road
Eastcote
Middlesex HA4 9NA



THE WILLOW AGENCY LIMITED
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FOR THE YEAR ENDED 31ST MAY 1999

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THE WILLOW AGENCY LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the accounts for the year ended 31st May 1999.

PRINCIPAL ACTIVITIES

The company's principal activity during the year was that of consultancy and accountancy services.

RESULTS AND DIVIDENDS

The profit for the year after taxation was £8,139 (1998: profit of £3,565). The directors do not recommend the payment of dividend and it is recommended that the retained profit be transferred to reserves.

FIXED ASSETS

The movements in fixed assets during the year are set out in Note 6 and 7 to the accounts.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the shares of the company was as follows:

	<u>Class of Shares</u>	<u>Number of Shares</u>	
		<u>1999</u>	<u>1998</u>
Richard Finmore	£1 ordinary	1,000	1,000
Ann Burgess	£1 ordinary	1,000	1,000

SMALL COMPANY RULES

This report has been prepared in accordance with the Special Provisions of Part VII of the Companies Act 1985 relating to small companies.



Ann Burgess
Secretary

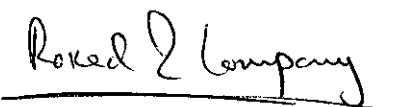
Approved by the Board on 22ND JUNE 2000

THE WILLOW AGENCY LIMITED
ACCOUNTANTS' REPORT ON THE UNAUDITED ACCOUNTS
TO THE DIRECTORS OF THE WILLOW AGENCY LIMITED

In accordance with instructions given to us, we have prepared without carrying out an audit, the accounts on pages 3 to 9 from the accounting records of The Willow Agency Limited from the information and explanations given to us.

Canada House
272 Field End Road
Eastcote
Middlesex HA4 9NA

22nd June 2000


ROKED & COMPANY
Chartered Accountants

THE WILLOW AGENCY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MAY 1999

	<u>Note</u>	<u>1999</u>	<u>1998</u>
		£	£
TURNOVER	1	169,775	121,720
Cost of sales		(54,902)	(36,110)
		<hr/>	<hr/>
GROSS PROFIT		114,873	85,610
Administrative expenses		(96,570)	(72,344)
Interest payable and similar charges	3	(6,674)	(6,106)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	11,629	7,160
Tax on profit on ordinary activities	5	(3,490)	(3,595)
		<hr/>	<hr/>
RETAINED PROFIT FOR THE YEAR		£ 8,139	£ 3,565
		<hr/>	<hr/>

The notes on pages 5 to 9 form part of these accounts.

THE WILLOW AGENCY LIMITED**BALANCE SHEET AT 31ST MAY 1999**

	<u>Note</u>	<u>1999</u>	<u>1998</u>
		£	£
FIXED ASSETS			
Tangible assets	6	540	14,823
Investments	7	-	56,238
		<hr/>	<hr/>
		540	71,061
CURRENT ASSETS			
Debtors	8	31,705	15,037
Cash at bank and in hand		26,454	-
		<hr/>	<hr/>
		58,159	15,037
CREDITORS: Amounts falling due within one year	9	50,375	55,913
		<hr/>	<hr/>
NET CURRENT ASSETS/(LIABILITIES)		7,784	(40,876)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,324	30,185
CREDITORS: Amounts falling due after one year	10	-	30,000
		<hr/>	<hr/>
		£ 8,324	£ 185
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	11	2,000	2,000
Profit and loss account	12	6,324	(1,815)
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS	12	£ 8,324	£ 185
		<hr/>	<hr/>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provision of Section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the nominal value of the company's issued share capital have not issued a notice requiring an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31st May 1999 and of its profit for the year then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

THE WILLOW AGENCY LIMITED

BALANCE SHEET AT 31ST MAY 1999 (Continued)

The 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 Standards for small entities (effective March 1999).

The accounts were approved by the Board
on *22nd June* 2000 and signed on its behalf by

Richard Finmore
Director

A handwritten signature in black ink, appearing to be 'R Finmore', written over a horizontal line.

Ann Burgess
Director

A handwritten signature in black ink, appearing to be 'A Burgess', written in a cursive style.

The notes on pages 5 to 9 form part of these accounts.

THE WILLOW AGENCY LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MAY 1999

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts.

1.1 ACCOUNTING CONVENTION AND STANDARDS

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

1.2 TURNOVER

Turnover represents amounts invoiced by the company in respect of goods and services provided during the year.

1.3 DEPRECIATION

Depreciation is provided on all fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life. The annual depreciation rate used on a straight line basis is as follows:

Office equipment	50%
Office furniture	33 1/3%
Motor vehicles	33 1/3%

1.4 DEFERRED TAXATION

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences to the extent that the directors consider that a liability will crystallise in the foreseeable future.

1.5 CASH FLOW STATEMENT

The company is exempt from the requirement to prepare a cash flow statement as it is entitled to the exemptions for small companies accounts set out in Sections 246 to 249 Companies Act 1985.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging:	<u>1999</u>	<u>1998</u>
Depreciation	12,595	15,468
Loss on sale of fixed assets	1,687	-
Profit on sale of investment	(17,134)	-
	<u> </u>	<u> </u>

THE WILLOW AGENCY LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST MAY 1999**

3.	INTEREST PAYABLE AND SIMILAR CHARGES	<u>1999</u>	<u>1998</u>
	Bank and other interest	£6,674	£6,106
		<u> </u>	<u> </u>

4.	STAFF COST (Including Directors)	<u>1999</u>	<u>1998</u>
		£	£
	Wages and salaries	51,412	22,343
	Social Security costs	5,458	1,966
	Directors' Pension costs	1,155	1,155
		<u> </u>	<u> </u>
		£58,025	£25,464
		<u> </u>	<u> </u>

Included above is directors' remuneration totalling £32,595 (1998: £18,974).

5.	TAX ON ORDINARY ACTIVITIES	<u>1999</u>	<u>1998</u>
	Corporation tax charge at 21%/20%	3,135	3,250
	Under provision in respect of prior year	355	345
		<u> </u>	<u> </u>
		£3,490	£3,595
		<u> </u>	<u> </u>

Included in the current year's tax charge is £2,979 which relates to the tax on the disposal of the investment.

6.	TANGIBLE FIXED ASSETS	<u>Office Furniture</u>	<u>Office Equipment</u>	<u>Motor Vehicle</u>	<u>Total</u>
		£	£	£	£
	<u>COST</u>				
	Balance b/fwd	8,146	14,160	38,371	60,677
	Disposals	(4,635)	(750)	-	(5,385)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		3,511	13,410	38,371	55,292
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>DEPRECIATION</u>				
	Balance b/fwd	3,561	13,936	28,357	45,854
	Disposals	(2,947)	(750)	-	(3,697)
	Charge for the year	2,408	173	10,014	12,595
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		3,022	13,359	38,371	54,752
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>NET BOOK VALUE AT 31ST MAY 1999</u>	£ 489	£ 51	£ -	£ 540
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>NET BOOK VALUE AT 31st MAY 1998</u>	£4,585	£ 224	£10,014	£14,823
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

THE WILLOW AGENCY LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST MAY 1999**

7.	INVESTMENTS	<u>1999</u>	<u>1998</u>
	Leasehold property	£ NIL	£56,238
		=====	=====
8.	DEBTORS	<u>1999</u>	<u>1998</u>
	Trade debtors	31,705	14,787
	Other debtors, prepayments and accrued income	-	250
		=====	=====
		£31,705	£15,037
		=====	=====
9.	CREDITORS: Amounts falling due within one year	<u>1999</u>	<u>1998</u>
		£	£
	Trade creditors	1,407	-
	Bank loan	-	3,473
	Bank overdraft	-	14,802
	Social Security and other taxes	1,979	3,145
	Corporation tax	3,135	5,775
	Directors' loan account	405	2,066
	Other creditors, accruals and deferred income	43,449	26,652
		=====	=====
		£50,375	£55,913
		=====	=====
10.	CREDITORS: Amounts falling due after one year	<u>1999</u>	<u>1998</u>
	Bank loan	£ NIL	£30,000
		=====	=====
	The bank loan was secured on the leasehold property investment, but was repaid during the year on the disposal of the property		
11.	SHARE CAPITAL	<u>1999</u>	<u>1998</u>
	<u>Authorised</u>		
	2,000 ordinary shares of £1 each	£ 2,000	£ 2,000
		=====	=====
	<u>Allotted, Called up and fully paid</u>		
	2,000 ordinary shares of £1 each	£ 2,000	£ 2,000
		=====	=====

THE WILLOW AGENCY LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MAY 1999

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>Share Capital</u>	<u>Profit & Loss Account</u>	<u>Total Shareholders' Funds</u>
Balance b/fwd at 31st May 1998	2,000	(1,815)	185
Profit attributable to the members of the company	-	8,139	8,139
	<hr/>	<hr/>	<hr/>
Balance c/fwd at 31st May 1999	£2,000	£6,324	£8,324
	<hr/>	<hr/>	<hr/>