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COMPOST TECHNOLOGY LIMITED  
ABBREVIATED FINANCIAL STATEMENTS

31 DECEMBER 1997

Registered number: 3047738

STUBBS PARKIN & SOUTH  
CHARTERED ACCOUNTANTS  
Shropshire



COMPOST TECHNOLOGY LIMITED  
ABBREVIATED FINANCIAL STATEMENTS  
for the Year ended 31 December 1997

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## COMPOST TECHNOLOGY LIMITED

## ABBREVIATED BALANCE SHEET

at 31 December 1997

	Note	1997 £	1996 £
<b>Fixed assets</b>			
Intangible assets	2	3,301	3,260
		<u>3,301</u>	<u>3,260</u>
<b>Current assets</b>			
Stocks		7,645	10,383
Debtors		7,981	14,649
Cash at bank and in hand		174	172
		<u>15,800</u>	<u>25,204</u>
<b>Creditors: amounts falling due within one year</b>		<u>(18,048)</u>	<u>(27,540)</u>
<b>Net current liabilities</b>		(2,248)	(2,336)
<b>Total assets less current liabilities</b>		<u>1,053</u>	<u>924</u>
<b>Capital and reserves</b>			
Called up share capital	3	100	100
Profit and loss account		953	824
<b>Total shareholders' funds</b>		<u>1,053</u>	<u>924</u>

The directors consider that for the year ended 31 December 1997 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.


The directors acknowledge their responsibilities for:

- i) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities.

The financial statements on pages 2 to 3 were approved by the board of directors on 17th August 1998.

On behalf of the board

  
 .....  
 Dr T D Owen - Chairman

## COMPOST TECHNOLOGY LIMITED

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 December 1997

**1 Accounting policies**

The principle accounting policies adopted in the financial statements are set out below and have remained unchanged from the previous year and have also been consistently applied within the same accounts.

**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The effect of events relating to the year ended 31 December 1997, before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 December 1997 and of the results for the year ended on that date.

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 qualifies as a small company under the Companies Act 1985.

**Turnover**

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

**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:

Patents and licences	10% straight line
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**Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

**Deferred taxation**

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

## COMPOST TECHNOLOGY LIMITED

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 December 1997

## 2 Fixed assets

	Patents £
Cost	
01 January 1997	3,622
Additions	408
31 December 1997	<u>4,030</u>
Depreciation	
01 January 1997	362
Charge for Year	367
31 December 1997	<u>729</u>
Net book amount	
31 December 1997	<u>3,301</u>
01 January 1997	<u>3,260</u>

## 3 Called up share capital

	1997		1996	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

## 4 Related Party Transactions

The following transactions have occurred in the year between Compost Technology Limited and the following Companies all of which are under common directorship:

Purchases from European Peat Corporation Limited	£ 9,256
Management Charge from European Peat Corporation Limited	£10,000
Sales to Cutting Composts Limited	£ 1,600
Year end loan to European Peat Corporation Limited	£ 6,008
Year end Debtor due from Cutting Composts Limited	£ 1,880