

COMPANY No
1028469

MAJOR'S PLACE SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST JANUARY 1997



MAJOR'S PLACE SERVICES LIMITED

CONTENTS	Page
Company information	1
Report of the directors	2
Statement of directors' responsibilities	3
Accountants report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 – 11

MAJOR'S PLACE SERVICES LIMITED**COMPANY INFORMATION**

DIRECTORS

J. Lambie
I.M. Lambie
B.J.W. Lambie (appointed 25.6.97)
D.A. Fraser

SECRETARY

I.M. Lambie

BANKERS

Royal Bank of Scotland plc
36 St. Andrew Square
Edinburgh EH2 2YB

REPORTING ACCOUNTANTS

Ashdens
106-114 Borough High Street
London SE1 1LB

REGISTERED OFFICE:

106-114 Borough High Street
London SE1 1LB

REGISTERED NUMBER

1028469

MAJOR'S PLACE SERVICES LIMITED

DIRECTORS' REPORT

The directors present their report with the financial statements of the company for the year ended 31st January 1997.

PRINCIPAL ACTIVITY

The principal activity of the company is the supply of managerial services.

REVIEW OF BUSINESS

The company has had for a number of years a 45% interest in Majors Place Industries Limited. In December 1996 Incamet Limited was demerged from the Majors Place Industries Limited Group and the company received 38,659 £1 ordinary shares in Incamet Holdings Limited – a 40.9% interest. The company's interest in the results and reserves of these associated companies are shown in Note 8 to the accounts.

The directors consider that the results for the year and the state of the company's affairs at the balance sheet date were satisfactory.

FIXED ASSETS

Additions to fixed assets during the year are shown in Note 6.

DIVIDEND

The directors do not recommend the payment of a dividend (1996 – Nil).

DIRECTORS

The directors who held office at the year end and throughout the year and their shareholdings were:-

	1997	1996
J. Lambie	38	38
I.M. Lambie	38	38
D.A. Fraser	12	12

Signed on behalf of the
Board of Directors

I M Lambie

I M LAMBIE
Secretary

Approved by the Board 27 November 1997

MAJOR'S PLACE SERVICES LIMITED**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors 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 the directors are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) 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 that 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.

**ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE
UNAUDITED ACCOUNTS OF MAJORS PLACES SERVICES LIMITED LIMITED**

We report on the accounts for the year ended 31st January 1997 set out on pages 5 to 11.

Respective responsibilities of directors and reporting accountants

As described on page 3 the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.


Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985:
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).


ASHDENS
Reporting Accountants
106-114 Borough High Street
London
SE1 1LB

27 November 1997

MAJOR'S PLACE SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JANUARY 1997

	Note	1997 £	1996 £
TURNOVER	1	100,559	98,363
Administrative expenses		<u>111,291</u>	<u>122,368</u>
Operating Loss	2	(10,732)	(24,005)
Investment income	4	<u>26,025</u>	<u>58,687</u>
PROFIT on ordinary activities before interest		15,293	34,682
Interest receivable		<u>9,391</u>	<u>7,582</u>
PROFIT on ordinary activities after interest		24,684	42,264
TAXATION	5	<u>(647)</u>	<u>(4,422)</u>
PROFIT on ordinary activities after taxation		24,037	37,842
DIVIDEND			
Proposed		<u>—</u>	<u>—</u>
PROFIT FOR YEAR		<u><u>24,037</u></u>	<u><u>37,842</u></u>

All of the company's operations are classed as continuing.
There are no recognised gains or losses during the year except for the profit for the year.

MAJOR'S PLACE SERVICES LIMITED
BALANCE SHEET AT 31ST JANUARY 1997

	Note	1997		1996	
		£	£	£	£
FIXED ASSETS					
Tangible asset	6		44,130		6,940
Investments	7		26,767		28,286
			<u>70,897</u>		<u>35,226</u>
CURRENT ASSETS					
Debtors	9	9,359		10,163	
Cash at bank		<u>212,258</u>		<u>176,633</u>	
		221,617		186,796	
CREDITORS: falling due within one year	10	<u>43,512</u>		<u>21,887</u>	
NET CURRENT ASSETS			<u>178,105</u>		<u>164,909</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			249,002		200,135
CREDITORS: falling due after one year			<u>24,830</u>		<u>-</u>
			<u>224,172</u>		<u>200,135</u>
CAPITAL AND RESERVES					
Share capital	11		100		100
Retained profits	12		<u>224,072</u>		<u>200,035</u>
			<u>224,172</u>		<u>200,135</u>

The exemption conferred by Section 249A(2) not to have these accounts audited applies to the company and the directors confirm that no notice has been deposited under Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for ensuring that:

- [i] the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
- [ii] the accounts give a true and fair view of the state of affairs of the company as at 31st January 1997 and of the profit 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 accounts, so far as applicable to the company.

In preparing these accounts the directors have relied upon the exemptions of individual accounts provided by Section 246 and they have done so on the grounds that the company is entitled to those exemptions as a small company.

Signed on behalf of the Board of Directors


J LAMBIE - Director

Approved by the Board 27 November 1997

MAJOR'S PLACE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st January 1997

1. ACCOUNTING POLICIES

Basis of Accounting

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

Turnover

Turnover represents the net amount invoiced to customers.

Depreciation

Depreciation is provided on the tangible assets on a straight line basis at 20% on cost calculated to write off the cost over the expected useful life.

Fixed Asset Investments

Fixed asset investments are stated at cost less provision for any permanent diminution in value. For listed investments market value is based on the closing middle market price on a recognised Stock Exchange.

Leasing and Hire Purchase Commitments

Assets financed by leasing agreements ("finance leases") are capitalised in the balance sheet and are depreciated over the shorter of the lease term or their useful lives. The present value of future rentals is shown as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

2. OPERATING LOSS

	1997	1996
	£	£
This is stated after charging:-		
Directors emoluments	80,000	75,000
Social security costs	8,554	8,063
	<hr/>	<hr/>
Total staff costs	88,554	83,063
	<hr/>	<hr/>
Hire purchase interest	—	159
Depreciation	4,810	6,940
Accountants remuneration	7,250	10,840
	<hr/>	<hr/>

MAJOR'S PLACE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st January 1997

(continued)

3. DIRECTORS EMOLUMENTS

	1997 £	1996 £
Emoluments	80,000	75,000
Pension contributions	—	—

Details of directors emoluments, excluding pension contributions are:—

Highest paid director	55,000	55,000
-----------------------	--------	--------

The number of other directors whose emoluments fell within the following ranges were:—

£0 – £5,000	1	1
£15,001 – £20,000	1	1

4. INVESTMENT INCOME

Dividends from listed securities	—	141
Profit on redemption of loan notes	26,025	58,546
	<u>26,025</u>	<u>58,687</u>

5. TAXATION

On profit at 24%/25%	—	4,400
Tax deducted from franked investment income	92	28
Prior year adjustments	555	—
Interest received	—	(6)
	<u>647</u>	<u>4,422</u>

MAJOR'S PLACE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st January 1997

(continued)

6.	TANGIBLE FIXED ASSETS – MOTOR VEHICLES	£			
	Cost				
	At 1 February 1996				34,700
	Disposals				(34,700)
	Additions				44,500
					<u>44,500</u>
	Depreciation				
	At 1 February 1996				27,760
	Charge for year				4,810
	On disposal				(32,200)
					<u>370</u>
	At 31 January 1997				<u>370</u>
	Net Book Values				
	At 31 January 1997				<u>44,130</u>
	At 31 January 1996				<u>6,940</u>
7.	INVESTMENTS	TOTAL	Associated Company	Listed Securities	Loan Notes
		£	£	£	£
	AT COST				
	1 February 1996	28,286	26,239	41	2,006
	Disposals	(1,519)	–	–	(1,519)
		<u>26,767</u>	<u>26,239</u>	<u>41</u>	<u>487</u>
	31 January 1997	<u>26,767</u>	<u>26,239</u>	<u>41</u>	<u>487</u>

The associated company is Major's Place Industries Limited a company registered in Scotland whose issued share capital is 85,910 ordinary shares of £1 each, of which 38,659 are held by Major's Place Services Limited. In December 1996 Incamet Limited, a company registered in Scotland, was demerged from the Majors Place Industries Limited Group and the company received 38,659 £1 ordinary shares in Incamet Holdings Limited, the parent company of Incamet Limited. Incamet Holdings Limited is a company registered in Scotland whose issued share capital is 94,501 ordinary shares of £1 each. The results of these associated companies are set out in Note 8 below

The market value of the listed securities at 31 January 1997 was £80 (1996: £69).

The loan notes, which represent proceeds from the disposal of an interest in an unlisted company during a previous financial year, have a nominal value of £5,053 and are redeemable at par in equal annual instalments. During the year loan notes with a nominal value of £27,545 were redeemed.

MAJOR'S PLACE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st January 1997

(continued)

8. RESULTS OF ASSOCIATED COMPANIES

The company's interest in the results and reserves of the associated companies are as follows:-

	Incamet Holdings Limited £	1997 Majors Place Industries Limited £	TOTAL £	1996 As restated £
Results				
(Loss)/profit for year				
Continuing operations	3,352	(53,442)	(50,090)	(18,176)
Discontinued operations	-	53,013	53,013	(157,097)
	<u>3,352</u>	<u>(429)</u>	<u>2,923</u>	<u>(175,273)</u>
Exceptional item	-	(266,666)	(266,666)	-
Taxation recoverable/(charge)	(885)	6,528	5,643	36,183
Revaluation surplus	-	-	-	170,778
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total recognised gains and losses	<u>2,467</u>	<u>(260,567)</u>	<u>(258,100)</u>	<u>31,688</u>
Reserves				
At 1st February 1996	-	1,483,134	1,483,134	1,451,446
Revaluation reserve re demerged subsidiary	-	(27,059)	(27,059)	-
Acquisition Goodwill	223,832	-	223,832	-
Share premium account	16,936	-	16,936	-
Recognised gains and losses for year	<u>2,467</u>	<u>(260,567)</u>	<u>(258,100)</u>	<u>31,688</u>
At 31st January 1997	<u>243,235</u>	<u>1,195,508</u>	<u>1,438,743</u>	<u>1,483,134</u>

The exceptional item relates to the capital and reserves of the demerged company, Incamet Limited.

9. DEBTORS

	1997 £	1996 £
Trade debtors	9,359	7,163
Corporation tax recoverable	-	3,000
	<u>9,359</u>	<u>10,163</u>

MAJOR'S PLACE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st January 1997

(continued)

10. CREDITORS	1997 £	1996 £
Amounts falling due within one year:		
Accruals	22,109	16,913
Other taxes and social security	5,573	2,705
Corporation tax	-	933
Directors current account	1,641	1,336
Proposed dividend	-	-
Hire purchase	14,189	-
	<u>43,512</u>	<u>21,887</u>
Amounts falling due after one year:		
Hire purchase	<u>24,830</u>	<u>-</u>
 11. SHARE CAPITAL		
Authorised, issued and fully paid 100 Ordinary shares of £1	<u>100</u>	<u>100</u>
 12. RETAINED PROFITS		
At 1st February 1996		200,035
Profit for year		<u>24,037</u>
At 31st January 1997		<u>224,072</u>
 13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS		
At 1st February 1996	200,135	162,293
Profit for year	<u>24,037</u>	<u>37,842</u>
At 31st January 1997	<u>224,172</u>	<u>200,135</u>