

08-11-90

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FULLEON LIMITED

40, SPRINGVALE INDUSTRIAL ESTATE
CWMBRAN,
GWENT.

MODIFIED

FINANCIAL ACCOUNTS FOR THE
Period ENDED 31st December 1989

SCOURFIELD ARORA & CO.
CHARTERED ACCOUNTANTS



FULLEON LIMITED

DIRECTORS:

Mr M Amlani
Mrs K Amlani
Mrs S Flanagan

SECRETARY:

Mrs K Amlani

BANKERS:

Barclays Bank PLC
128, High Street,
Chetenham,
Gloucester,
GL 50 1EL.

SOLICITORS:

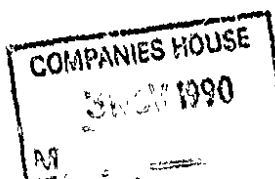
Phillips & Buck.
Fitzalan House,
Fitzalan Road,
Cardiff,
CF2 1XZ

AUDITORS:

Scourfield Arora & Co.
Chartered Accountants
Hanapost Chambers
218 Stow Hill
Newport
Gwent NP9 4HA

REGISTERED OFFICE:

40, Springvale Industrial Estate
Cwmbran.
Gwent.



FULLEON LIMITED

FOR THE PERIOD ENDED 31st DECEMBER, 1989.

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FULLEON LIMITED

FOR THE PERIOD ENDED 31st DECEMBER, 1989.

Special Audit Report in compliance with Schedule 8 of the Companies Act, 1985 for the period ended 31st December 1989.

The Accounts set out on pages 4 to 5c have been prepared on the basis of the modifications available to small companies, provided by Sections 247 and 249 of the Companies Act, 1985.

In our opinion, for the period ended 31st December 1989 the Company is entitled to the modifications available to a small company, and the accounts have been properly prepared in accordance with Sections 247 and 249 of the Companies Act 1985.

We reproduce on Page 3 our audit report to the members of the Company on the full accounts, (not appended hereto) for the period ended 31st December 1989.

Handpost Chambers,
218, Stow Hill,
Newport,
Gwent.
NP9. 4HA.

20th April 1990.

Stanford Jones
Chartered Accountant.

08-11-90

REPORT OF THE AUDITORS
TO THE MEMBERS OF FULLEON LIMITED
FOR THE Period ENDED 31st December 1989

We have audited the financial statements on pages 3 to 6c in accordance with approved Auditing Standards.

In our Opinion the financial statements, which have been prepared under the historical cost convention, give, so far as concerns members of the Company, a true and fair view of the state of affairs of the Company at 31st December 1989 and of the Profit and Source and Application of Funds of the Company for the period ended on that date and comply with the Companies Act 1985.

SCOURFIELD ARORA & CO.
CHARTERED ACCOUNTANTS

6th June 1990

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FULLEON LIMITED

BALANCE SHEET
AS AT 31st December 1989

	<u>Notes</u>	<u>1989-Period</u>		<u>1988-Year</u>	
		£	£	£	£
FIXED ASSETS					
Intangible Assets (R. & D)	4		13,509		27,018
Tangible Assets	4		697,029		429,911
			<u>710,538</u>		<u>456,929</u>
CURRENT ASSETS					
Stock and Work in Progress	1d	201,254		146,264	
Debtors	6	249,296		110,171	
Cash at Bank and in Hand		79		56	
			<u>450,629</u>		<u>256,491</u>
CREDITORS					
Amounts due within one year	7	324,205		229,340	
NET CURRENT ASSETS			<u>126,424</u>		<u>27,148</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>836,962</u>		<u>484,077</u>
CREDITORS					
Amounts due in more than one year	7	213,855		186,794	
			<u>213,855</u>		<u>186,794</u>
			<u>£ 623,107</u>		<u>£ 297,283</u>
CAPITAL AND RESERVES					
Share Capital	3	40,000		40,000	
Reserves	9	583,107		257,283	
			<u>£ 623,107</u>		<u>£ 297,283</u>

The directors have relied upon the exemptions for individual accounts contained in ss247 to 249 of the Companies Act 1985 on the basis that as a small company it is entitled to those exemptions.

X *M. Amiani*)
 Mr M Amiani)
 X *K. Amiani*) DIRECTORS
 Mrs K Amiani)
 DATE

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NOTES TO ACCOUNTS
FOR THE Period ENDED 31st December 1986

** draft note 1 - Accounting Policies **

1. ACCOUNTING POLICIES

- a. The Accounts have been prepared under the Historical Cost convention as modified by the revaluation of the company's freehold premises.
- b. Turnover represents the net amount of invoices to customers less credit notes for goods returned, excluding VAT.
- c. Depreciation is provided on various assets as follows

Freehold Premises	4% of last book value
Vehicles	25% of written down values
Plant and Equipment	20% of written down values
Fixtures and Fittings	25% of written down values

- d. Stock and Work in Progress is valued at the lower of Cost and Net Realisable Value after making due allowance for obsolete and slow-moving items.
- e. No provision is made for Deferred Taxation as none is required in the opinion of the directors.
- f. Capital Gains Tax- Potential Liability.
No provision has been made in the accounts for the Capital Gains Tax that will arise if the Springvale units are sold at the revalued amount, the liability is estimated to be £110,000.
- g. Expenditure on Research and Development is written off in the period in which its benefit is derived.
- h. Assets and Liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the Balance Sheet date. Other transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account when arriving at the Operating Profit.

2. OPERATING PROFIT

The Operating Profit is stated after charging :

	<u>1989-Period</u> £	<u>1988-Year</u> £
Amounts written off Tangible Assets	23,620	27,158
Amounts written off Intangible Assets	13,503	13,509
Directors' Remuneration	43,453	32,773
Auditors Remuneration	4,250	2,750
Hire Purchase Interest	4,822	2,054
	<hr/>	<hr/>

**** draft note 8 - Taxation ****

3. TAXATION

The tax charge on the Profit on Ordinary Activities was as follows :

	<u>1989-Period</u> £	<u>1988-Year</u> £
Corporation Tax based on the adjusted results for the period	64,250	22,200
Prior Year Adjustment	15	(423)
	<u>64,265</u>	<u>21,777</u>

4. FIXED ASSETS

Tangible Assets

	<u>Motor Vehicles</u> £	<u>Plant & Equipment</u> £	<u>Fixtures & Fittings</u> £	<u>Freehold Premises</u> £	<u>TOTAL</u> £
<u>COST</u>					
At 1st November 1988	6,760	80,760	12,450	400,000	499,970
Revaluation surplus	-	-	-	250,000	250,000
Additions in period	26,700	21,399	1,339	-	49,438
Disposals in period	(6,760)	(33,700)	-	-	(40,460)
At 31st Dec 1989	<u>26,700</u>	<u>68,459</u>	<u>13,789</u>	<u>650,000</u>	<u>758,948</u>

DEPRECIATION

At 1st November 1988	3,910	56,295	7,453	2,400	70,059
Write Off On Disposal	(3,910)	(27,850)	-	-	(31,760)
Charge for period	7,900	9,600	1,520	4,630	23,650
At 31st Dec 1989	<u>7,900</u>	<u>38,045</u>	<u>8,973</u>	<u>7,000</u>	<u>61,918</u>

NET BOOK VALUE

At 31st Dec 1989	<u>18,800</u>	<u>30,413</u>	<u>4,816</u>	<u>643,000</u>	<u>697,029</u>
At 31st October 1988	<u>2,850</u>	<u>24,454</u>	<u>4,937</u>	<u>397,000</u>	<u>429,241</u>

Intangible Assets

Research &
Development
Costs
£

TOTAL
£

WRITTEN DOWN VALUES

At 31st October 1988	<u>27,018</u>	<u>27,018</u>
At 31st December 1989	<u>13,509</u>	<u>13,509</u>

** draft note 12 - Stock's **

5. STOCKS

	<u>1988-Period</u> £	<u>1988-Year</u> £
Raw Materials and Consumables	140,247	36,229
Work in Progress & Finished Goods	60,307	103,385
	<u>201,254</u>	<u>146,264</u>

6. DEBTORS

	<u>1989-Period</u> £	<u>1988-Year</u> £
Amounts due within one year		
Debtors	213,282	110,171
Prepayments	8,014	-
A C T Recoverable	28,000	-
	<u>249,296</u>	<u>110,171</u>

7. CREDITORS

	<u>1989-Period</u> £	<u>1988-Year</u> £
Amounts due within one year		
Bank Account	6,721	35,843
Bank Loan Account	-	48,214
Trade Creditors	171,326	122,941
Taxation-Corporation Tax	64,250	22,000
Accruals	37,293	-
Director's Loan Account	43,538	345
Value Added Tax	1,087	-
	<u>324,205</u>	<u>229,343</u>

Amounts due after more than one year

Long Term Loan - UCS	137,306	136,594
Hire Purchase Liabilities	16,049	-
Corporation Tax	-	200
	<u>213,355</u>	<u>136,794</u>

8. SHARE CAPITAL

	<u>1989-Period</u> £	<u>1988-Year</u> £
Authorised - Ordinary Shares of £1 each	<u>40,000</u>	<u>40,000</u>
Allotted, Issued and Fully Paid	<u>40,000</u>	<u>40,000</u>

** draft note 17 - Reserves **

9. RESERVES

	Total £	Revaluation Reserve £	Other Reserves £	Profit & Loss A/c £
At 1st November 1988	242,651	149,870	..	92,781
Government Grants - 1st Nov 1988	14,632	14,632
Surplus on revaluation of Spring Vale Units-1989	250,000	250,000
Transfers to/from Profit & Loss
Retained Profit for the period	75,824			75,824
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st December 1989	583,107	399,870	14,632	168,605
	<hr/>	<hr/>	<hr/>	<hr/>

N.B. See note 1 f (page 5) for potential Capital Gains Tax Liability that would arise if the Land and Buildings were disposed of at their revalued amounts.