

**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2000**  
**FOR**  
**THE INTERNATIONAL GROUP OF**  
**ACCOUNTING FIRMS EUROPE LTD**

R M Willgoose  
Chartered Accountant  
Registered Auditor  
Chestnut End, Leddington  
Ledbury  
Herefordshire  
HR8 2LG



**THE INTERNATIONAL GROUP OF  
ACCOUNTING FIRMS EUROPE LTD**

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FOR THE YEAR ENDED 31 MAY 2000**

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**THE INTERNATIONAL GROUP OF  
ACCOUNTING FIRMS EUROPE LTD**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MAY 2000**

<b>DIRECTORS:</b>	P S Clark T Lundsgaard O Nielsen M Ranalli A G J Van den Brink W Metz J C Spitz U Hilgers J J Bowler
<b>SECRETARY:</b>	D I Walker
<b>REGISTERED OFFICE:</b>	102 Friar Gate Derby DE1 1FH
<b>REGISTERED NUMBER:</b>	1551690
<b>AUDITOR:</b>	R M Willgoose Chartered Accountant Registered Auditor Chestnut End, Leddington Ledbury Herefordshire HR8 2LG
<b>BANKERS:</b>	ING Bank The Netherlands

**THE INTERNATIONAL GROUP OF  
ACCOUNTING FIRMS EUROPE LTD**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MAY 2000**

The directors present their report with the financial statements of the company for the year ended 31 May 2000.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the co-ordination of the activities of 'The International Group of Accounting Firms' throughout Europe, from The Netherlands.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**DIRECTORS**

The directors during the year under review were:

P S Clark	
T Lundsgaard	
O Nielsen	
M Ranalli	
A G J Van den Brink	
R P Woolford	- resigned 26.9.99
S Moehring	- resigned 26.9.99
W Metz	
J C Spitz	
U Hilgers	- appointed 26.9.99
J J Bowler	- appointed 26.9.99

**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

- 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.

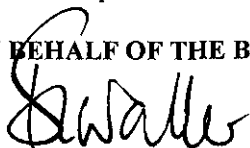
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITOR**

The auditor, R M Willgoose, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

**ON BEHALF OF THE BOARD:**



D I Walker - SECRETARY

Dated: 27 September 2000

**THE INTERNATIONAL GROUP OF  
ACCOUNTING FIRMS EUROPE LTD**

**REPORT OF THE AUDITOR TO THE MEMBERS OF  
THE INTERNATIONAL GROUP OF  
ACCOUNTING FIRMS EUROPE LTD**

I have audited the financial statements on pages four to nine which have been prepared under the historical cost convention and the accounting policies set out on page seven.

**Respective responsibilities of directors and auditor**

As described on page two the company's directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

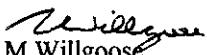
**Basis of opinion**

I conducted my audit in accordance with 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In my opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 May 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
R M Willgoose  
Chartered Accountant  
Registered Auditor  
Chestnut End, Leddington  
Ledbury  
Herefordshire  
HR8 2LG

Dated: 27 September 2000

**THE INTERNATIONAL GROUP OF  
ACCOUNTING FIRMS EUROPE LTD**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MAY 2000**

		2000	1999
	Notes	£	£
<b>TURNOVER</b>	2	211,516	186,544
Cost of sales		79,857	53,402
<b>GROSS PROFIT</b>		131,659	133,142
Administrative expenses		131,347	128,844
<b>OPERATING PROFIT</b>	3	312	4,298
Interest receivable and similar income		427	795
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		739	5,093
Tax on profit on ordinary activities	4	-	-
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		739	5,093
Retained profit brought forward		16,753	11,998
		17,492	17,091
Currency translation differences		(824)	(338)
<b>RETAINED PROFIT CARRIED FORWARD</b>		£16,668	£16,753

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**THE INTERNATIONAL GROUP OF  
ACCOUNTING FIRMS EUROPE LTD**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 MAY 2000**

	2000	1999
	£	£
<b>PROFIT FOR THE FINANCIAL YEAR</b>	739	5,093
Currency translation differences	(824)	(338)
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u>£(85)</u>	<u>£4,755</u>

The notes form part of these financial statements

**THE INTERNATIONAL GROUP OF  
ACCOUNTING FIRMS EUROPE LTD**

**BALANCE SHEET  
31 MAY 2000**

		2000		1999	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	5		3,298		621
<b>CURRENT ASSETS:</b>					
Stocks	6	802		844	
Debtors	7	31,762		22,333	
Cash at bank		65,807		13,445	
		<u>98,371</u>		<u>36,622</u>	
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>85,001</u>		<u>20,490</u>	
<b>NET CURRENT ASSETS:</b>			<u>13,370</u>		<u>16,132</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>£16,668</u>		<u>£16,753</u>
<b>RESERVES:</b>					
Profit and loss account			<u>16,668</u>		<u>16,753</u>
:	9		<u>£16,668</u>		<u>£16,753</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**



P S Clark - DIRECTOR

Approved by the Board on 27 September 2000

The notes form part of these financial statements

**THE INTERNATIONAL GROUP OF  
ACCOUNTING FIRMS EUROPE LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2000**

**1. ACCOUNTING POLICIES**

**Accounting convention**

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

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**Turnover**

Turnover represents membership dues, initial joining fees and conference receipts during the year.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

**Stocks**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

**2. TURNOVER**

Turnover represents membership dues, initial joining fees and conference receipts during the year.

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	2000	1999
	£	£
Depreciation - owned assets	620	1,227
Auditor's remuneration	775	775
Foreign exchange differences	62	191
Pension costs	8,721	-
Operating lease - motor vehicle	4,560	5,529
	<u>          </u>	<u>          </u>
Directors' emoluments and other benefits etc	-	-
	<u>          </u>	<u>          </u>

**4. TAXATION**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 May 2000 nor for the year ended 31 May 1999.

**THE INTERNATIONAL GROUP OF  
ACCOUNTING FIRMS EUROPE LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2000**

**5. TANGIBLE FIXED ASSETS**

	Fixtures and fittings	Computer equipment	Totals
	£	£	£
<b>COST:</b>			
At 1 June 1999	2,772	2,430	5,202
Additions	-	3,297	3,297
	<hr/>	<hr/>	<hr/>
At 31 May 2000	2,772	5,727	8,499
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION:</b>			
At 1 June 1999	2,151	2,430	4,581
Charge for year	405	215	620
	<hr/>	<hr/>	<hr/>
At 31 May 2000	2,556	2,645	5,201
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE:</b>			
At 31 May 2000	216	3,082	3,298
	<hr/>	<hr/>	<hr/>
At 31 May 1999	621	-	621
	<hr/>	<hr/>	<hr/>

**6. STOCKS**

	2000	1999
	£	£
Stock	802	844
	<hr/>	<hr/>

Folders and leaflets.

**7. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2000	1999
	£	£
Other debtors	29,881	20,355
Prepayments & accrued income	1,881	1,978
	<hr/>	<hr/>
	31,762	22,333
	<hr/>	<hr/>

**8. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	2000	1999
	£	£
Membership dues received in advance	72,413	11,970
Conference fees received in advance	6,202	5,321
Other creditors	1,875	1,875
Social security & other taxes	4,511	1,324
	<hr/>	<hr/>
	85,001	20,490
	<hr/>	<hr/>

**THE INTERNATIONAL GROUP OF  
ACCOUNTING FIRMS EUROPE LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MAY 2000**

**9. RECONCILIATION OF MOVEMENTS IN RESERVES**

	2000	1999
	£	£
Profit for the financial year	739	5,093
Other recognised gains and losses relating to the year (net)	(824)	(338)
<b>Net (reduction)/addition to reserves</b>	<b>(85)</b>	<b>4,755</b>
Opening reserves	16,753	11,998
<b>Closing reserves</b>	<b>16,668</b>	<b>16,753</b>