

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2002
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 2002**

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

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2002**

DIRECTORS:

W Metz
J J Bowler
H L Thomsen
P Ollivier
J F Clarke
E Lodi
G Vosseler-Konig
J L W Kreeft

SECRETARY:

P R Sterling

REGISTERED OFFICE:

102 Friar Gate
Derby
DE1 1FH

REGISTERED NUMBER:

1551690

AUDITOR:

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

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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2002**

The directors present their report with the financial statements of the company for the year ended 31 May 2002.

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	- resigned 24.9.01
M Ranalli	- resigned 24.9.01
A G J Van den Brink	- resigned 24.9.01
W Metz	
U Hilgers	- resigned 24.9.01
J J Bowler	
H L Thomsen	
P Ollivier	
J F Clarke	- appointed 24.9.01
E Lodi	- appointed 24.9.01
G Vosseler-Konig	- appointed 24.9.01
J L W Kreeft	- appointed 24.9.01

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:



P R Sterling - SECRETARY

Dated: 14 August 2002

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

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

I have audited the financial statements of The International Group of Accounting Firms Europe Ltd for the year ended 31 May 2002 on pages four to eight. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditor

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I also report to you if, in my opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

I read the Report of the Directors and consider the implications for my report if I become aware of any apparent misstatements within it.


Basis of audit opinion

I conducted my audit in accordance with United Kingdom 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 2002 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: 14 August 2002

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

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2002**

		<u>2002</u>	<u>2001</u>
	Notes	€	€
TURNOVER	2	394,436	350,327
Cost of sales		<u>146,221</u>	<u>120,237</u>
GROSS PROFIT		248,215	230,090
Administrative expenses		<u>240,183</u>	<u>233,834</u>
OPERATING PROFIT/(LOSS)	3	8,032	(3,744)
Interest receivable and similar income		<u>2,110</u>	<u>1,096</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		10,142	(2,648)
Tax on profit/(loss) on ordinary activities		<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		10,142	(2,648)
Retained profit brought forward		<u>24,221</u>	<u>27,686</u>
		34,363	25,038
Currency translation differences		<u>(86)</u>	<u>(817)</u>
RETAINED PROFIT CARRIED FORWARD		<u>€34,277</u>	<u>€24,221</u>

The notes form part of these financial statements

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

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MAY 2002**

	<u>2002</u>	<u>2001</u>
	€	€
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	10,142	(2,648)
Currency translation differences	<u>(86)</u>	<u>(817)</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>€10,056</u>	<u>€(3,465)</u>

The notes form part of these financial statements

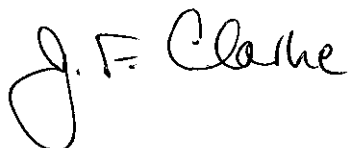
**THE INTERNATIONAL GROUP OF
ACCOUNTING FIRMS EUROPE LTD**

BALANCE SHEET
31 MAY 2002

		<u>2002</u>		<u>2001</u>	
	Notes	€	€	€	€
FIXED ASSETS:					
Tangible assets	4		2,135		4,895
CURRENT ASSETS:					
Stocks	5	1,293		1,289	
Debtors	6	54,283		39,778	
Cash at bank		<u>84,667</u>		<u>126,940</u>	
		140,243		168,007	
CREDITORS: Amounts falling due within one year	7	<u>108,101</u>		<u>148,681</u>	
NET CURRENT ASSETS:			<u>32,142</u>		<u>19,326</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>€34,277</u>		<u>€24,221</u>
RESERVES:					
Profit and loss account			<u>34,277</u>		<u>24,221</u>
			<u>€34,277</u>		<u>€24,221</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 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

ON BEHALF OF THE BOARD:



J F Clarke - DIRECTOR

Approved by the Board on 14 August 2002

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2002**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

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.

Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Stocks

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

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.

Foreign currencies

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

2. TURNOVER

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

3. OPERATING PROFIT/(LOSS)

The operating profit (2001 - operating loss) is stated after charging:

	2002	2001
	€	€
Depreciation - owned assets	2,760	2,110
Auditor's remuneration	1,250	1,337
Pension costs	<u>23,206</u>	<u>20,825</u>
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2002**

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Computer equipment	Totals
	€	€	€
COST:			
At 1 June 2001 and 31 May 2002	<u>4,604</u>	<u>11,039</u>	<u>15,643</u>
DEPRECIATION:			
At 1 June 2001	4,604	6,144	10,748
Charge for year	<u>-</u>	<u>2,760</u>	<u>2,760</u>
At 31 May 2002	<u>4,604</u>	<u>8,904</u>	<u>13,508</u>
NET BOOK VALUE:			
At 31 May 2002	<u>-</u>	<u>2,135</u>	<u>2,135</u>
At 31 May 2001	<u>-</u>	<u>4,895</u>	<u>4,895</u>

5. STOCKS

	2002 €	2001 €
Stock	<u>1,293</u>	<u>1,289</u>

Stock of folders and leaflets.

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

	2002 €	2001 €
Other debtors	46,301	36,755
Prepayments & accrued income	<u>7,982</u>	<u>3,023</u>
	<u>54,283</u>	<u>39,778</u>

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

	2002 €	2001 €
Membership dues received in advance	81,076	101,270
Conference fees received in advance	-	21,135
Other creditors	20,850	20,801
Social security & other taxes	<u>6,175</u>	<u>5,475</u>
	<u>108,101</u>	<u>148,681</u>