

Registration
number
1624523

FOURWAY MANAGEMENT LIMITED

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1999



FOURWAY MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	T.P.Evans C.R.Evans C.P.Drake
Secretary	T.P.Evans
Company Registration Number	1624528
Registered Office	Charleywood Road, Knowsley Industrial Park North, Knowsley, Merseyside, L33 7SG.

FOURWAY MANAGEMENT LIMITED

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FOURWAY MANAGEMENT LIMITED

Directors' Report

The directors present their report to the members, together with the annual accounts for the year ended 31st October 1999.

Principal Activity

The principal activity of the company which is unchanged since last year is industrial cleaning.

During the course of the year the company operated at a satisfactory level.

The results for the year are shown on page 4. In the coming year the company intends to improve on existing trading levels, market share, consolidate financial performance and further enhance liquidity.

Directors

The directors of the company and their interests in shares of the company are set out below. There were no changes in the composition of the board of directors during the year.

	31st October	
	1999	1998
T.P.Evans	1	1
C.R.Evans	1	1
C.P.Drake	Nil	Nil

T.P.Evans and C.R.Evans have joint beneficial holding of 9,998 Ordinary Shares.

Directors' responsibility for the financial statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair 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 apply them consistently
make judgements 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 to operate.

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

FOURWAY MANAGEMENT LIMITED

Directors' Report-Continued

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.

Fixed Assets

Details of fixed assets are shown on page 9. In the opinion of the directors the open market value of the company's land and buildings is approximately the same as net book value.

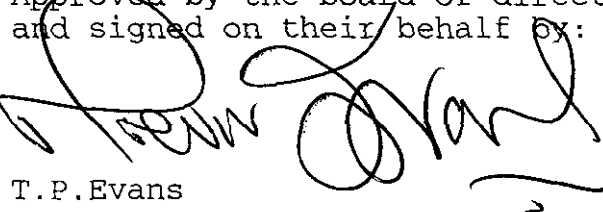
Dividends

The directors recommend an interim dividend of £ 24,000 on the ordinary shares, which leaves a deficit of £ 20,692 to be deducted from retained profits.

Auditors

A resolution to re-appoint the auditors will be proposed at the Annual General Meeting.

Approved by the board of directors on 4th February 2000
and signed on their behalf by:

A large, stylized handwritten signature in black ink, appearing to read 'T.P. Evans', is written over the text of the signature line.

T.P. Evans

Director

FOURWAY MANAGEMENT LIMITED

Auditor's Report

Auditor's Report To The Shareholders Of Fourway Management Limited

We have audited the financial statements on pages 4 to 14 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies on pages 6 and 7.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

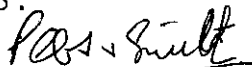
Basis of opinion

We conducted our 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 whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us 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 our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st October 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PEERS AND SMITH
Chartered Accountant and
Registered Auditor,
Mast House,
Derby Road,
Bootle,
Merseyside L20 1EA.

4th February 2000

FOURWAY MANAGEMENT LIMITED

Profit And Loss Account For The Year Ended 31st October 1999

	Notes	1999	1998
Turnover	1	1,074,166	1,156,110
Cost of sales	3	653,311	734,101
		-----	-----
Gross profit		420,855	422,009
Administration expenses		388,953	401,808
		-----	-----
Operating profit	2	31,902	20,201
Grants released		7,318	10,049
Interest received		476	5
		-----	-----
		39,696	30,255
Finance costs	6	36,111	43,164
		-----	-----
Profit(1998 Loss)On Ordinary Activities Before Taxation		3,585	(12,909)
Tax on profit on ordinary activities	7	277	(4,161)
		-----	-----
Profit(1998 Loss)For The Financial Year On Ordinary Activities After Taxation		3,308	(8,748)
Dividends on ordinary shares	8	24,000	14,000
		-----	-----
Retained Deficit Transferred To Reserves	18	£ (20,692)	(22,748)
		=====	=====

There were no recognised gains or losses other than as disclosed above and there have been no discontinued activities or acquisitions in the current or preceding period.

The notes on pages 6 to 14 form an integral part of these accounts.

FOURWAY MANAGEMENT LIMITED

Balance Sheet As At 31st October 1999

	Notes	1999	1998
Fixed Assets			
Tangible fixed assets	9	524,529	566,662
Current Assets			
Stocks	10	6,324	8,164
Debtors	11	99,611	135,630
Cash in hand		139	-
		-----	-----
		106,074	143,794
Creditors: Amounts falling due within one year	12	315,362	317,722
		-----	-----
Net Current Liabilities		(209,288)	(173,928)
Total Assets Less Current Liabilities			
		315,241	392,734
Creditors: amounts falling due after more than one year			
	13	156,688	204,602
Provisions For Liabilities And Charges			
Deferred taxation	15	9,999	11,568
		-----	-----
		£ 148,554	176,564
		=====	=====
Capital And Reserves			
Called up share capital	17	10,000	10,000
Grants released	18	34,787	42,105
Revaluation reserve	18	67,395	67,395
Profit and loss account	18	36,372	57,064
		-----	-----
Shareholders' Funds		£ 148,554	176,564
		=====	=====

Approved by the board of directors on 4th February 2000
and signed on their behalf by:-

T.P. Evans

FOURWAY MANAGEMENT LIMITED

**Notes To The Accounts For The Year Ended
31st October 1999**

1.Accounting Policies

Exemptions

The company qualifies as a small company under the Companies Act 1985. The directors have elected to take advantage of the exemption under FRS 1 not to prepare a cash flow statement.

Turnover

Turnover represents net invoiced cleaning services rendered excluding VAT. None of the turnover was to markets outside the United Kingdom.

Depreciation

Depreciation of tangible fixed assets is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold building	2% on reducing balance
Plant and machinery	25% on reducing balance
Fixtures and fittings	25% on reducing balance
Motor vehicles	25% on reducing balance

No depreciation is provided on freehold land.

Finance cost of debt

The finance cost of debt, including interest and issue costs are allocated to each period over the term of the debt and charged to profit and loss account at a constant rate on the outstanding amount.

Leased assets

Fixed assets acquired under finance leases are included in the balance sheet at cost, appropriate provision being made for depreciation. The present value of the future rentals is shown as a liability. Interest payable in each period is charged to profit and loss account in proportion to the amount outstanding under the lease. Operating lease rentals are charged to profit and loss account as incurred.

Stocks

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

FOURWAY MANAGEMENT LIMITED

Notes To The Accounts For The Year Ended 31st October 1999-Continued

Deferred Taxation

Provision is made at appropriate rates for taxation deferred in respect of all material timing differences only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

Pensions

The company has a defined pension scheme for the benefit of 2 of the directors. The cost of the contributions made by the company to the scheme are charged to profit and loss as incurred.

2. Operating Profit

The operating profit is stated after charging

	1999	1998
Depreciation on tangible	70,315	78,056
Staff costs	377,418	379,287
Auditor's remuneration	2,500	2,300
Operating leases-rentals of plant	28,489	31,980
Exceptional loss on bad debt	-	6,940
Pension contributions	1,640	1,450

3. Continuing Activities

Cost of sales	653,311	734,101
Administrative expenses	388,953	401,808
	-----	-----
£	1,042,264	1,135,909
	=====	=====

4. Particulars Of Staff And Pensions

Staff costs, including directors' remuneration (note 5), were as follows:-

Wages and salaries	343,486	343,762
Social security costs	32,292	34,075
Pension costs	1,640	1,450
	-----	-----
£	377,418	379,287
	=====	=====

FOURWAY MANAGEMENT LIMITED

Notes To The Accounts For The Year Ended
31st October 1999-Continued

4.Particulars Of Staff And Pensions-Continued

The average weekly number of employees during the period was as follows:-

	1999	1998
Office administration	6	6
Other	15	15

5.Directors' Remuneration

Directors' remuneration including pension contributions and benefits in kind

Emoluments as services as directors	95,974	86,743
Pension contributions	1,640	1,450

6.Finance Cost

Interest payable on long term loans	15,345	26,067
Interest on bank overdraft	5,250	2,933
Finance charges-finance leases	15,516	14,164
	-----	-----
£	36,111	43,164
	=====	=====

7.Tax On Profit On Ordinary Activities

Corporation tax at 21%	1,846	-
Deferred taxation at 21%	(1,569)	267
Adjustment to previous years	-	(4,428)
	---	-----
£	277	(4,161)
	===	=====

8.Dividends On Equity Shares

Interim dividend on ordinary shares £	24,000	14,000
	=====	=====

FOURWAY MANAGEMENT LIMITED

Notes To The Accounts For The Year Ended 31st October 1999-Continued

9.Tangible Fixed Assets

	Freehold Land And Buildings	Plant And Machinery	Motor Vehicles Equipment	Total
	-----	-----	-----	-----
Cost or valuation				
1st November 1998	334,194	18,538	465,820	818,552
Additions	1,648		32,034	33,682
Disposals			33,373	33,373
	-----	-----	-----	-----
31st October 1999 £	335,842	18,538	464,481	818,861
	=====	=====	=====	=====
Depreciation				
1st November 1998	32,274	6,881	212,735	251,890
Charge for the year	5,038	3,115	61,892	70,315
Disposals			27,873	27,873
	-----	-----	-----	-----
31st October 1999 £	37,582	9,996	246,754	294,332
	=====	=====	=====	=====
Written down values				
31st October 1999 £	298,260	8,542	217,727	524,529
31st October 1998 £	301,920	11,657	253,085	566,662

The historical cost of freehold land and buildings was £ 26,105(1998 £ 26,105) was revalued in 1990 by Dixon Webb at a valuation of £ 90,000 and is included in the above at that amount. Aggregate depreciation on the original cost would have been £ 3,818(1998 £ 3,344) .

The cost of tangible fixed assets include £ 332,977 (1998 £ 309,476) in respect of assets held under finance leases. Depreciation charged on those assets amounted to £ 43,721(1998 £ 42,630) for the year and the aggregate amount of £ 156,776(1998 £ 113,055)

Freehold land at a cost of £ 38,217 has not been depreciated.

FOURWAY MANAGEMENT LIMITED

Notes To The Accounts For The Year Ended 31st October 1999-Continued

9.Tangible Fixed Assets-Continued

At 31st October 1999 commitments for capital expenditure were as follows:-

	1999	1998
Contracted but not provided for in the accounts	£ Nil ===	Nil ===

10.Stocks

Raw materials	£ 6,324 =====	8,164 =====
---------------	------------------	----------------

11.Debtors:Due Within One Year

Trade debtors	256,302	330,775
Less:Amounts advanced without recourse	166,068	205,522
	-----	-----
	90,234	125,253
Others	2,640	3,640
Advance corporation tax	6,737	6,737
	-----	-----
	£ 99,611	135,630
	=====	=====

12.Creditors:Amounts Falling Due Within One Year

Borrowings(note 14)	164,498	105,974
Trade creditors	95,159	155,845
Other creditors(including tax and social security of £ 9,281 (1998 £ 7,114)	34,840	33,954
Corporation tax	1,846	-
Directors' loan	274	446
Accruals	18,745	21,503
	-----	-----
	£ 315,362	317,722
	=====	=====

FOURWAY MANAGEMENT LIMITED

Notes To The Accounts For The Year Ended
31st October 1999-Continued

13.Creditors:Amounts Falling Due After More Than One Year

	1999	1998
Borrowings(note 14)	£ 156,688	204,602
	=====	=====

14.Borrowings

Due within one year

Bank loans and overdrafts(secured)	110,524	50,132
Obligations under finance leases	53,974	55,842
	-----	-----
	£ 164,498	105,974
	=====	=====

Due after more than one year repayable
by instalments

Bank loans	100,691	108,290
Obligations under finance leases	55,997	96,312
	-----	-----
	£ 156,688	204,602
	=====	=====

Repayable between 1 and 5 years	92,445	142,012
Repayable in more than 5 years	64,243	62,590
	-----	-----
	£ 156,688	204,602
	=====	=====

Bank loans and overdrafts are secured by a fixed and
floating charge over the company's assets.

15.Deferred Taxation

Provided for

Short term timing differences	Nil	Nil
Accelerated capital allowances	9,999	11,568
Losses available for future relief	Nil	Nil
	-----	-----
	£ 9,999	11,568
	=====	=====

FOURWAY MANAGEMENT LIMITED

Notes To The Accounts For The Year Ended
31st October 1999-Continued

15.Deferred Taxation-Continued

	1999	1998
Not provided for		
Short term timing differences	Nil	Nil
Accelerated capital allowances	Nil	Nil
	---	---
	£ Nil	Nil
	===	===

16.Reconciliation Of Movements in Shareholders' Funds

Profit(1998 Loss)for the financial year	3,308	(8,748)
Dividends	(24,000)	(14,000)
Grants released	(7,318)	(10,049)
	-----	-----
Net reduction in shareholders' funds	(28,010)	(32,797)
Opening shareholders' funds	176,564	209,361
	-----	-----
Closing shareholders' funds	£ 148,554	176,564
	=====	=====

Represented by:-

Equity shares	£ 148,554	176,564
	=====	=====

17.Called Up Share Capital

Authorised

30,000 Ordinary Shares of £ 1 each	£ 30,000	30,000
	=====	=====

Issued

10,000 Ordinary Shares of £ 1 each	£ 10,000	10,000
	=====	=====

FOURWAY MANAGEMENT LIMITED

Notes To The Accounts For The Year Ended 31st October 1999-Continued

18. Reserves

	Grants Received	Revaluation Reserve	Profit And Loss Account
	-----	-----	-----
1st November 1998	42,105	67,395	57,064
Retained deficit for the year			(20,692)
Grants released	(7,318)		
	-----	-----	-----
31st October 1999	£ 34,787	67,395	36,372
	=====	=====	=====

19. Commitments

Pension

The assets of the pension scheme are held separately from those of the company in an independently administered fund. The pension cost represents contributions payable by the company to the fund and amounted to £ 1,640 (1998 £ 1,450).

Operating Leases

The company had annual commitments under non-cancellable operating leases as follows:-

Expiry date

Within one year	£ 6,917
	=====

20. Contingent Liabilities

The directors are not aware of any contingent liabilities.

21. Transactions With Directors

There were no reportable transactions with directors.

FOURWAY MANAGEMENT LIMITED

**Notes To The Accounts For The Year Ended
31st October 1999-Continued**

22.Post Balance Sheet Events

There were no reportable post balance sheet events.

23.Related Parties

The directors are not aware of any reportable related party transactions.