

THE CHELMSFORD ENTERPRISE AGENCY LIMITED

31st March 1997

Company No : 2104128

ANNUAL REPORT AND FINANCIAL STATEMENTS

**HUGHES ALLEN
Chartered Accountants
Chelmsford**



THE CHELMSFORD ENTERPRISE AGENCY LIMITED

DIRECTORS' REPORT

The directors submit their annual report and audited financial statements for the year ended 31st March 1997.

Results

The deficit for the year was £4,416 (1996 surplus £2,126).

Principal activity and review of the business

The company's principal activity during the period was to provide an advisory and counselling service for small businesses as a recognised Enterprise Agency.

Fixed assets

The directors consider that the fixed assets are worth not less than the value stated in the financial statements.

Changes in fixed assets are shown in Note 6 of these financial statements.

Directors

The directors of the company who served during the year are as follows:

J.T. Barnes (Chairman)
Mrs. P.A. Gard
S.C. King (resigned 07/07/97)
G.E. Nicholls
P. Benson
B. Pearce (resigned 01/07/96)
M. Todd (resigned 31/03/97)
N. Spital (resigned 31/03/97)
G. Leathem (resigned 31/03/97)
S. Rawlins
G. Powdrill (resigned 31/03/97)
T. Goodyear (resigned 12/05/97)
M.E. Kendall
T. Lane
Mrs K.G. Munro
T.A. Palmer
A.S. Raynor
M. Pratley (resigned 07/07/97)
R.S.C. Best (appointed 19/09/96)

THE CHELMSFORD ENTERPRISE AGENCY LIMITED

DIRECTORS' REPORT Continued

The following directors were appointed after the year end:

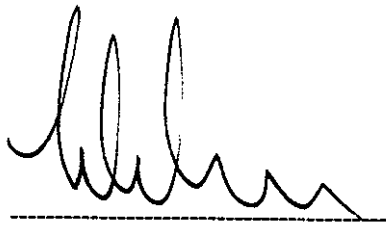
A. Brutnell (appointed 07/07/97)
R.W. Gordon (appointed 02/06/97)
T. Peasey (appointed 12/05/97)
A. Sharp (appointed 12/05/97)
Mrs. J.L. Smith (appointed 12/05/97)
M. Tilsed (appointed 07/07/97)
Miss L. Wellham (appointed 02/06/97)
G.R. Yeldham (appointed 12/05/97)

J.T. Barnes, Mrs P.A. Gard, G.E. Nicholls, P. Benson, S. Rawlins, M.E. Kendall, T. Lane, Mrs K.G. Munro, T. Palmer, A.S. Raynor, R.S.C. Best, A. Brutnell, R.W. Gordon, T. Peasey, A. Sharp, Mrs J.L. Smith, M. Tilsed, Miss L. Wellham and G.R. Yeldham retire in accordance with Article 29(c) and offer themselves for re-election at the Annual General Meeting.

Auditors

A Resolution to appoint Messrs. Hughes Allen, Chartered Accountants, as auditors will be proposed to the members at the Annual General Meeting.

BY ORDER OF THE BOARD


J.T. Barnes - Secretary

Moulsham Court,
39, Moulsham Street,
Chelmsford,
Essex,
CM2 OHY.

Date: 5th January 1998

THE CHELMSFORD ENTERPRISE AGENCY LIMITED

AUDITORS' REPORT TO THE MEMBERS OF THE CHELMSFORD ENTERPRISE AGENCY LIMITED

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out in Note 1 of the financial statements.

Respective responsibilities of the directors and auditors

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

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 judgments 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.

We planned and performed our audit so as to obtain all the information and explanations which are 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 irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

THE CHELMSFORD ENTERPRISE AGENCY LIMITED

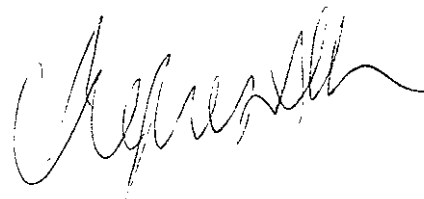
AUDITORS' REPORT TO THE MEMBERS OF THE CHELMSFORD ENTERPRISE AGENCY LIMITED Continued

Use of funds

For the purposes of Section 48 Finance Act 1982, we report that funds provided to the Agency were applied to meet objectives for which approval has been given by the Secretary of State for Employment.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



HUGHES ALLEN
Chartered Accountants
Registered Auditor

Moulsham Court,
39, Moulsham Street,
Chelmsford.
Essex,
CM2 OHY.

Date: 5th January 1998

THE CHELMSFORD ENTERPRISE AGENCY LIMITED

STATUTORY PROFIT AND LOSS ACCOUNT

For the year ended 31st March 1997

	Note	1997	1996
Turnover	1(iii)	90,248	109,078
Administrative expenses		(94,322)	(106,553)
Interest payable	2	<u>(19)</u>	<u>(10)</u>
(Loss)/Profit on ordinary activities before tax	3	(4,093)	2,515
Tax on (loss)/profit on ordinary activities	5	<u>(323)</u>	<u>(389)</u>
(Loss)/Profit for the financial year	9	<u><u>£ (4,416)</u></u>	<u><u>£ 2.126</u></u>

The company made no recognised gains and losses in 1996 or 1997 other than the loss/profit for the year and therefore, no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss/profit on ordinary activities before taxation and retained profit for the year stated above and their historical cost equivalents.

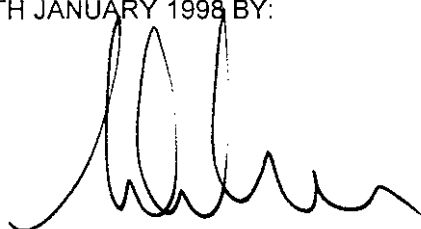
The notes on pages 7 to 10 form an integral part of these financial statements.

THE CHELMSFORD ENTERPRISE AGENCY LIMITED

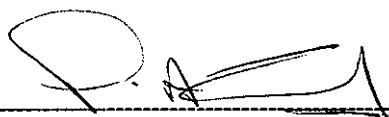
BALANCE SHEET - 31st March 1997

	Note	1997	1996
Fixed assets	6	2,902	1,449
Current assets			
Debtors	7	3,748	7,465
Cash at bank and in hand		<u>46,995</u>	<u>47,409</u>
		50,743	54,874
Creditors (Amounts falling due within one year)	8	<u>(5,873)</u>	<u>(4,135)</u>
Net current assets		<u>44,870</u>	<u>50,739</u>
Total net assets		<u><u>£ 47,772</u></u>	<u><u>£ 52,188</u></u>
Reserves			
Income and expenditure account	9	<u>47,772</u>	<u>52,188</u>
		<u><u>£ 47,772</u></u>	<u><u>£ 52,188</u></u>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS
ON 5TH JANUARY 1998 BY:



Mr J.T. Barnes



Mrs P. Gard

The notes on pages 7 to 10 form an integral part of these financial statements.

THE CHELMSFORD ENTERPRISE AGENCY LIMITED

NOTES TO THE ACCOUNTS For the year ended 31st March 1997

1. Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards.

The following accounting policies have been used:

(i) Accounting convention

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

(ii) Depreciation

Depreciation is charged in these financial statements on the bases shown below:

Office furniture and equipment - 25% of written down value.

(iii) Turnover

Turnover includes income from sponsorship and other income derived principally from training and business support contracts operated on behalf of Essex Training and Enterprise council.

(iv) Leasing

Rentals under operating leases are charged on a straight line basis over the lease term.

2. Interest payable

	1997	1996
Interest on bank loans and overdrafts	14	10
Other interest	5	-
	<u>19</u>	<u>10</u>

3. (Loss)/Profit on ordinary activities is stated after charging:

	1997 £	1996 £
Depreciation	968	482
Hire of equipment	3,750	-
and after crediting:		
Bank interest receivable	<u>1,346</u>	<u>1,556</u>

THE CHELMSFORD ENTERPRISE AGENCY LIMITED

NOTES TO THE ACCOUNTS For the year ended 31st March 1997 Continued

4. Information regarding directors and employees

	1997	1996
Directors		
Emoluments	<u>38,000</u>	<u>31,833</u>
	<u>£ 38,000</u>	<u>£ 31,833</u>
Employees including directors		
Employment costs:		
Wages and salaries	52,547	54,956
Social Security costs	<u>4,899</u>	<u>3,980</u>
	<u>£ 57,446</u>	<u>£ 58,936</u>
Number of employees		
The average weekly number of employees:		
Administrative	4	4
Executive directors	3	1
Non-executive directors	<u>15</u>	<u>16</u>
	<u>22</u>	<u>21</u>

5. Taxation

U.K. Corporation tax at 24/25%	<u>323</u>	<u>389</u>
	<u>£ 323</u>	<u>£ 389</u>

THE CHELMSFORD ENTERPRISE AGENCY LIMITED

NOTES TO THE ACCOUNTS For the year ended 31st March 1997 Continued

6. Fixed assets

	<u>Office furniture & equip.</u>
Cost	
At 1st April 1996	7,142
Additions	<u>2,421</u>
At 31st March 1997	<u>9,563</u>
Depreciation	
At 1st April 1996	5,693
Charge for year	<u>968</u>
At 31st March 1997	<u>6,661</u>
Net book value	
At 31st March 1997	<u>2,902</u>
At 31st March 1996	<u>1,449</u>

7. Debtors

	1997	1996
Other debtors	2,892	7,000
Corporation tax repayable	391	-
Prepayments	<u>465</u>	<u>465</u>
	<u>£ 3,748</u>	<u>£ 7,465</u>

8. Creditors

Corporation tax	323	389
Accruals	990	241
Net pay control	1,265	-
Taxes and social security	<u>3,295</u>	<u>3,505</u>
	<u>£ 5,873</u>	<u>£ 4,135</u>

THE CHELMSFORD ENTERPRISE AGENCY LIMITED

NOTES TO THE ACCOUNTS For the year ended 31st March 1997 Continued

9. Reserves

	Income and Expenditure Account
1st April 1996	52,188
Loss for the year	<u>(4,416)</u>
31st March 1997	<u>£ 47,772</u>

This note also discloses the net movement in shareholders funds for the year.

10. Liability of Members

The company is limited by guarantee. If the company should be wound up every member would contribute an amount, as required, not exceeding £1. There are ten members of the company.

11. Sponsorship in kind

Sponsorship in kind received:

Company	Cost saving for	£
Design & Print Partnership	Newsletter	400
Contributions Agency	Secondee (9 mths)	12,500
Bank of England	Secondee (3mths)	14,000
Essex Chronicle	Advertising	500
Marketing Warehouse	Marketing fees	300
Hughes Allen	Accounting fees	<u>1,000</u>
		<u>28,700</u>