

(Registered)

**CODESURGE LIMITED**  
**FINANCIAL STATEMENTS**  
**31 MARCH 1993**

**Registered number: 2202038**

**MALCOLM CLARK & CO**  
**CHARTERED ACCOUNTANTS**



**CODESURGE LIMITED**  
**FINANCIAL STATEMENTS**  
**for the year ended 31 March 1993**

**CONTENTS**

	Page
Company information	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes	7 to 10

**The following page does not form part of the statutory accounts**

Detailed trading and profit and loss account	Appendix 1
---	------------

**CODESURGE LIMITED****COMPANY INFORMATION****31 March 1993****Incorporated in England on 3 December 1987****Number 2202038****DIRECTORS**

**J E Hempsey  
M B A Van Geffen  
P A Hempsey  
J S Van Geffen  
J B Van Geffen  
G B Van Geffen**

**SECRETARY**

**J.E. Hempsey**

**REGISTERED OFFICE**

**114 Guisborough Road  
Nunthorpe  
Cleveland  
TS7 0JA**

**BANKERS**

**Yorkshire Bank Plc  
7 Linthorpe Road  
Middlesbrough  
Cleveland  
TS1 1RF**

**AUDITORS**

**Malcolm Clark & Co  
Chartered Accountants  
39 Grange Road  
Darlington  
Co Durham**

## CODESURGE LIMITED

## DIRECTORS' REPORT

31 March 1993

The directors present their report and the audited financial statements for the year ended 31 March 1993.

**Principal activity**

The principal activity of the company was that of operating a Residential Home.

**Directors**

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	31 March 1993 Ordinary shares	1 April 1992 Ordinary shares
J E Hempsey	25	25
M B A Van Geffen	17	17
P A Hempsey	25	25
J S Van Geffen	17	17
J B Van Geffen	8	8
G B Van Geffen	8	8

**Auditors**

Malcolm Clark & Co have agreed to offer themselves for re-appointment as auditors of the company.

**Small company exemptions**

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

On behalf of the board



J.E. Hempsey  
Secretary

114 Guisborough Road  
Nunthorpe  
Cleveland  
TS7 0JA

24 January 1994

## CODESURGE LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law 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 we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

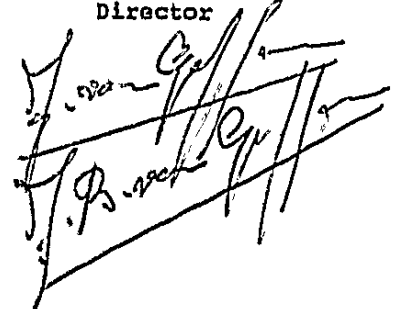
We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

24 January 1994

By order of the board

J B Van Geffen  
Director

A handwritten signature in dark ink, appearing to read 'J B Van Geffen', is written over a horizontal line. The signature is stylized and cursive.

## CODESURGE LIMITED

## AUDITORS' REPORT

Auditors' report to the members of

Codesurge Limited

We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 3, 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 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 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 error or other irregularity. 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 as at 31 March 1993 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Malcolm Clark & Co  
Registered Auditors  
Chartered Accountants

Darlington  
24 January 1994

## CODESURGE LIMITED

## PROFIT AND LOSS ACCOUNT

for the year ended 31 March 1993

	Note	1993 £	1992 £
Turnover		382,328	348,134
Cost of sales		(160,757)	(153,831)
Gross profit		221,571	194,303
Net operating expenses			
Administrative expenses		(98,651)	(56,519)
Operating profit	2	122,920	137,784
Interest payable	3	(55,152)	(70,459)
Profit on ordinary activities before taxation		67,768	67,325
Taxation	4	(14,343)	-
Retained profit for the year	13	53,425	67,325

Movements in reserves are shown in note 13.

There are no recognised gains and losses in 1993 or 1992 other than the profit for the year.

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

## CODESURGE LIMITED

## BALANCE SHEET

at 31 March 1993

	Note	1993 £	1992 £
<b>Fixed assets</b>			
Tangible assets	5	700,929	722,108
<b>Current assets</b>			
Stocks	6	525	450
Debtors	7	3,918	5,421
		<u>4,443</u>	<u>5,871</u>
Creditors: amounts falling due within one year	8	(114,501)	(103,949)
<b>Net current liabilities</b>		<u>(110,058)</u>	<u>(98,078)</u>
<b>Total assets less current liabilities</b>		<u>590,871</u>	<u>624,030</u>
Creditors: amounts falling due after more than one year	9	(551,568)	(652,494)
<b>Provision for liabilities and charges</b>		<u>(14,343)</u>	<u>-</u>
		<u>24,960</u>	<u>(28,464)</u>
<b>Capital and reserves</b>			
Called up share capital	12	100	100
Profit and loss account	13	24,860	(28,564)
		<u>24,960</u>	<u>(28,464)</u>

The directors have taken advantage in the preparation of these financial statements of special exemptions provided by Part I of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The financial statements on pages 5 to 10 were approved by the board of directors on 24 January 1994

*M B A Van Geffen*  
M B A Van Geffen

Director

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



## NOTES ON FINANCIAL STATEMENTS

31 March 1993

## 1 Accounting policies

## Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

## Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land	Nil
Freehold buildings	2% straight line
Plant and machinery	15% straight line
Fixtures and fittings	10% straight line

## Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

## Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

## 2 Operating profit

	1993 £	1992 £
Operating profit is stated after charging		
Auditors' remuneration	1,050	1,328

## 3 Interest payable

	1993 £	1992 £
Other interest payable	55,152	70,459

## NOTES ON FINANCIAL STATEMENTS

31 March 1993

## 4 Taxation

	1993 £	1992 £
Corporation tax on profit on ordinary activities at 25% (1992 25%)	-	-
Deferred taxation	14,343	-
	<u>14,343</u>	<u>-</u>

## 5 Tangible fixed assets

Cost	Land and Buildings £	Plant and Machinery etc £	Total £
1 April 1992	676,780	83,877	760,657
Additions	-	2,199	2,199
31 March 1993	<u>676,780</u>	<u>86,076</u>	<u>762,856</u>
Depreciation			
1 April 1992	10,505	28,044	38,549
Charge for year	10,506	12,872	23,378
31 March 1993	<u>21,011</u>	<u>40,916</u>	<u>61,927</u>
Net book amount			
31 March 1993	<u>655,769</u>	<u>45,160</u>	<u>700,929</u>
1 April 1992	<u>666,275</u>	<u>55,833</u>	<u>722,108</u>

## 6 Stocks

	1993 £	1992 £
Stocks	<u>325</u>	<u>450</u>

## 7 Debtors

	1993 £	1992 £
Amounts falling due within one year		
Trade debtors	1,527	5,421
Other debtors	<u>2,391</u>	<u>-</u>
	<u>3,918</u>	<u>5,421</u>

## NOTES ON FINANCIAL STATEMENTS

31 March 1993

## 8 Creditors: amounts falling due within one year

	1993 £	1992 £
Bank loans and overdrafts	68,341	49,386
Trade creditors	40,930	36,667
Other creditors	5,230	17,896
	<u>114,501</u>	<u>103,949</u>

The bank loan is secured by a fixed charge over the freehold property of the company.

## 9 Creditors: amounts falling due after more than one year

	1993 £	1992 £
Bank loans	425,568	502,494
Other creditors	126,000	150,000
	<u>425,568</u>	<u>502,494</u>

Creditors other than finance lease and hire purchase contracts

Creditors with instalments due for payment after more than five years

425,568	502,494
<u>425,568</u>	<u>502,494</u>

Instalments due after more than five years

177,824	334,749
<u>177,824</u>	<u>334,749</u>

The bank loan is secured by a fixed charge over the freehold property of the company.

## 10 Deferred taxation

	1993		1992	
	Potential liability £	Provision made £	Potential liability £	Provision made £
Corporation tax deferred by				
Capital allowances in excess	22,187	22,187	20,039	20,039
Unrelieved taxation losses	(7,844)	(7,844)	(25,151)	(20,039)
	<u>14,343</u>	<u>14,343</u>	<u>(5,151)</u>	<u>-</u>

The potential liability and provision are based on a corporation tax rate of 25% (1992 25%).

## NOTES ON FINANCIAL STATEMENTS

31 March 1993

## 11 Reconciliation of movements in shareholders' funds

	1993 £	1992 £
Profit for the financial year representing a Net addition to/(subtraction from) shareholders' funds	53,425	67,325
Opening shareholders' funds	(28,464)	(95,789)
Closing shareholders' funds	<u>24,961</u>	<u>(28,464)</u>

## 12 Called up share capital

	1993		1992	
	Number of shares	£	Number of shares	£
Authorised				
SHARE CAPITAL	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted called up and fully paid				
SHARE CAPITAL	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

## 13 Profit and loss account

	1993 £
1 April 1992	(28,564)
Retained profit for the year	<u>53,425</u>
31 March 1993	<u>24,861</u>

## 14 Directors' interests and loans

Through their involvement in the the White House Residential Home Messrs M B A Van Geffen and J B Van Geffen provide management services to the company. In the year to 31 March 1993 such services totalled £2,351 (1992 £2,350).