

**CERTIFIED ACCOUNTANTS  
INVESTMENT COMPANY LIMITED**

**REPORT AND ACCOUNTS  
YEAR ENDED 31 DECEMBER 1994**

**(COMPANY NUMBER 2240534)**



# CERTIFIED ACCOUNTANTS INVESTMENT COMPANY LIMITED

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994

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# CERTIFIED ACCOUNTANTS INVESTMENT COMPANY LIMITED

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 1994

The directors submit their report together with the accounts for the year ended 31 December 1994.

### Directors' responsibilities

The directors are required by UK law to prepare accounts for each financial period which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, 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 accounts 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 enable them to ensure that the accounts 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.

### Results and dividends

The results for the year are set out on page 3 of the accounts.

On 31 December 1994 a dividend of £163,183 was paid to the holders of 'A' ordinary shares.

### Principal activity and review of the business

The company is an investment holding company. The directors are advised by professional fund managers who administer the portfolio of stocks and shares. The directors are satisfied with the results for the year and consider the state of the Company's affairs to be satisfactory.

### Ultimate parent

The ultimate parent is The Chartered Association of Certified Accountants, a body incorporated in the UK by Royal Charter.

### Directors

The directors of the company during the year were:

Jonathan Michael BECKERLEGGE (Appointed 2 June 1994)	Michael John MUMFORD (Appointed 2 June 1994)
Nicholas John BRITTAIN (Appointed 2 June 1994)	Brian Harold PHILLIPS
George Raymond GARDINER	John Rankin SMALL (Resigned 6 May 1994)
Kevin Plunkett HALL (Resigned 6 May 1994)	Anthony THOMAS
Peter Alan LANGARD	Michael Edward TUKE (Appointed 2 June 1994)
Heather Susan LYALL (Appointed 2 June 1994)	James Charles WAITS
William MILLS	Alec WEBSTER (Resigned 6 May 1994)
John David MOORE (Resigned 6 May 1994)	

No director has any interest in the shares of the company.

29 Lincoln's Inn Fields  
London  
WC2A 3EE

BY ORDER OF THE BOARD



A C Booth

Secretary

2 March 1995

# CERTIFIED ACCOUNTANTS INVESTMENT COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1994

		<u>1994</u> £	<u>1993</u> £
Notes			
2	Turnover	394,232	329,333
	Administrative expenses	151,810	32,664
	Operating profit	<u>242,422</u>	<u>296,669</u>
	Profit on disposal of investments	—	2,252,976
3	Profit on ordinary activities before taxation	<u>242,422</u>	<u>2,549,645</u>
4	Taxation	21,080	174,803
	Profit for the financial year	<u>221,342</u>	<u>2,374,842</u>
5	Dividend	163,183	195,032
	Retained profit for the financial year	<u><u>58,159</u></u>	<u><u>2,179,810</u></u>

All amounts relate to continuing activities. There were no recognised gains or losses other than those included in the profits above.

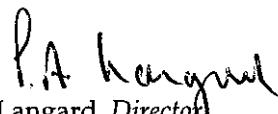
The notes on pages 5 to 8 form part of these accounts.

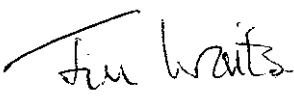
# CERTIFIED ACCOUNTANTS INVESTMENT COMPANY LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 1994

		<u>1994</u>	<u>1993</u>
	£	£	£
Notes			
	<b>Fixed assets</b>		
6	Tangible fixed assets	1,373,738	1,388,540
7	Investments	1,354,942	1,354,942
		<hr/>	<hr/>
		2,728,680	2,743,482
		<hr/>	<hr/>
	<b>Current assets</b>		
8	Debtors	1,505,816	1,481,468
	Cash at bank	24,002	1,808
		<hr/>	<hr/>
		1,529,818	1,483,276
		<hr/>	<hr/>
9	<b>Creditors: amounts falling due within one year</b>	124,942	151,361
		<hr/>	<hr/>
	<b>Net current assets</b>	1,404,876	1,331,915
		<hr/>	<hr/>
	<b>Total assets less current liabilities</b>	4,133,556	4,075,397
		<hr/>	<hr/>
10	<b>Creditors: amounts falling due after more than one year</b>	1,354,938	1,354,938
		<hr/>	<hr/>
	<b>Net assets</b>	2,778,618	2,720,459
		<hr/>	<hr/>
	<b>Capital and reserves</b>		
11	Share capital	100	100
12	Profit and loss account	2,778,518	2,720,359
		<hr/>	<hr/>
		2,778,618	2,720,459
		<hr/>	<hr/>

The accounts were approved by the Board of Directors on 2 March 1995 and were signed on its behalf by:

  
P A Langard, Director

  
J C Waits, Director

The notes on pages 5 to 8 form part of these accounts.

# CERTIFIED ACCOUNTANTS INVESTMENT COMPANY LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994

### 1 Accounting policies

#### a) *Accounting convention*

The accounts have been prepared under the historical cost convention and on the basis of applicable accounting standards. In accordance with the exemption available under Financial Reporting Standard 1, the company has not prepared a cash flow statement.

#### b) *Consolidation*

Consolidated accounts are not prepared as the company is a wholly owned subsidiary of The Chartered Association of Certified Accountants, a body incorporated in the UK by Royal Charter.

#### c) *Turnover*

Turnover is derived from the principal activities of the company.

#### d) *Tangible fixed assets and depreciation*

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

- freehold property - structural element over 50 years:
- fixtures and fittings - over 7 years.

#### e) *Deferred Taxation*

Provision is made when it is likely that a liability will crystallise in the foreseeable future.

	<u>1994</u>	<u>1993</u>
	£	£
<b>2 Turnover</b>		
Income from investments	203,979	281,777
Rental income	190,253	47,556
	<u>394,232</u>	<u>329,333</u>

### 3 Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging:

Auditors' remuneration	1,250	1,200
Depreciation	23,801	5,793
	<u>25,051</u>	<u>7,000</u>

The company has no employees other than the directors.  
None of the directors received any remuneration during the year.

# CERTIFIED ACCOUNTANTS INVESTMENT COMPANY LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994

	<u>1994</u> £	<u>1993</u> £	
<b>4 Taxation</b>			
Corporation Tax at 25% (1993: 32.5%) on the profit for the year	5,237	584,974	
Group relief receivable	(5,237)	(472,064)	
Over provision in previous year	(20,684)	(3,290)	
Tax on franked investment income	41,764	58,438	
Notional tax on scrip dividend	—	6,745	
	<u>21,080</u>	<u>174,803</u>	
<b>5 Dividend</b>			
Paid on 'A' ordinary shares	<u>163,183</u>	<u>195,032</u>	
<b>6 Tangible fixed assets</b>			
	Freehold property £	Furniture and office equipment £	Total £
<i>Cost</i>			
At 1 January 1994	1,394,333	—	1,394,333
Additions	2,862	6,137	8,999
	<u>1,397,195</u>	<u>6,137</u>	<u>1,403,332</u>
At 31 December 1994	<u>1,397,195</u>	<u>6,137</u>	<u>1,403,332</u>
<i>Accumulated depreciation</i>			
At 1 January 1994	5,793	—	5,793
Charge for year	23,229	572	23,801
	<u>29,022</u>	<u>572</u>	<u>29,594</u>
At 31 December 1994	<u>29,022</u>	<u>572</u>	<u>29,594</u>
<i>Net book value</i>			
At 31 December 1994	<u>1,368,173</u>	<u>5,565</u>	<u>1,373,738</u>
At 31 December 1993	1,388,540	—	1,388,540

The potential deferred tax liability in respect of accelerated capital allowances on the above was £45,000 (1993: £32,700).

# CERTIFIED ACCOUNTANTS INVESTMENT COMPANY LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994

	<u>1994</u> £	<u>1993</u> £
<b>7 Investments</b>		
Quoted investments	1,354,937	1,354,937
Unquoted investments -		
Loan and investment in related undertakings	5	5
	<u>1,354,942</u>	<u>1,354,942</u>

The quoted investments are listed on a recognised stock exchange. The market value at 31 December 1994 was £5,360,768 (1993: £5,745,204). If the quoted investments were realised at this value a liability to corporation tax of approximately £1,100,000 would arise.

The unquoted investments include the entire issued ordinary share capital of £2 of Certified Accountants Educational Projects Limited. This company is incorporated in England and its principal business is the provision of educational supplies and services. Its accumulated losses at 31 December 1994 amounted to £2,576,062.

Associated undertakings are Accountancy Education Limited, Accountancy Educational Projects Limited, Accountancy Education Services Limited, Open Learning Limited and Accountancy Open Learning Limited. These companies are all registered in England. None of these companies traded during the year.

### 8 Debtors

Amounts due from subsidiary undertakings	—	534,166
Amounts due from other group undertakings	1,478,390	936,470
Corporation Tax	27,426	—
Other debtors - VAT	—	10,832
	<u>1,505,816</u>	<u>1,481,468</u>

### 9 Creditors: amounts falling due within one year

Bank overdraft	—	12,829
Other creditors - VAT	7,790	—
Corporation Tax	—	109,630
Accruals and deferred income	117,152	28,902
	<u>124,942</u>	<u>151,361</u>

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

Amounts due to ultimate parent	<u>1,354,938</u>	<u>1,354,938</u>
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# CERTIFIED ACCOUNTANTS INVESTMENT COMPANY LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1994

	<u>1994</u> £	<u>1993</u> £
<b>11 Share capital</b>		
<b>Authorised</b>		
500 'A' Ordinary shares of £1 each	500	500
500 'B' Ordinary shares of £1 each	500	500
	<u>1,000</u>	<u>1,000</u>
<b>Issued and fully paid</b>		
50 'A' Ordinary shares of £1 each	50	50
50 'B' Ordinary shares of £1 each	50	50
	<u>100</u>	<u>100</u>
<b>12 Reconciliation of movements in shareholders' funds</b>		
Profit for the financial year	221,342	2,374,842
Dividends	(163,183)	(195,032)
	<u>58,159</u>	<u>2,179,810</u>
Net additions to shareholders' funds	2,720,459	540,649
Opening shareholders' funds	<u>2,778,618</u>	<u>2,720,459</u>
Closing shareholders' funds	<u>2,778,618</u>	<u>2,720,459</u>

# **CERTIFIED ACCOUNTANTS INVESTMENT COMPANY LIMITED**

## **REPORT OF THE AUDITORS TO THE MEMBERS OF CERTIFIED ACCOUNTANTS INVESTMENT COMPANY LIMITED**

We have audited the accounts on pages 3 to 8, which have been prepared under the historical cost convention and the accounting policies set out on page 5.

### **Respective responsibilities of directors and auditors**

As described on page 2, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

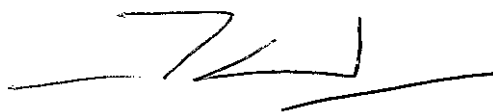
### **Basis of opinion**

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

### **Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



THOMSON COOPER & CO.  
Certified Accountants and Registered Auditors, Dunfermline

2 MARCH 1995