

**REGISTRAR OF
COMPANIES**

2298506

Crusaid (Enterprises) Limited

Report and Financial Statements

Year Ended

31 March 1998



BDO Stoy Hayward
Chartered Accountants



CRUSAID (ENTERPRISES) LIMITED

Annual report and financial statements for the year ended 31 March 1998

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CRUSAID (ENTERPRISES) LIMITED

Board members and professional advisers

Directors

Andrew Stone (Chairman)
Liz Airey
Dr Billy Bischoff
Lady Cameron of Lochbroom
Dr James Deutsch
Derek Granger
Amanda Hardy
Laurence Isaacson
David MacFarlane
Mo Rajabali
John Steer
Colin Tweedy
Bob West
Stephen Whitehead

Secretary and registered office

Dr James Deutsch, 1 Butler Place, Buckingham Gate, London, SW1H 0PT.

Administrative office

73 Collier Street, London, N1 9BE.

Auditors

BDO Stoy Hayward, 8 Baker Street, London, W1M 1DA.

Bankers

Midland Bank plc, 166 Vauxhall Bridge Road, London, SW1V 2RB.

Solicitors

Lewis Silkin, Windsor House, 50 Victoria Street, London, SW1H 0NW.

Registered number

2293506

CRUSAID (ENTERPRISES) LIMITED

Report of the directors for the year ended 31 March 1998

The directors submit their report together with the audited financial statements for the year ended 31 March 1998.

Results and dividends

The profit and loss account is set out on page 6 and shows the profit for the year. The directors can not recommend the payment of a dividend.

Principal activity, review of the business and future developments

The company's business is that of organising events and conducting general trading activities in order to raise funds for charitable purposes. The directors do not expect the fund raising environment to improve in the following year.

The company has entered into a charitable covenant under which a sum equal to the company's net profit is paid to its parent charity, Crusaid (a company limited by guarantee). Included in the profit and loss account for the year ended 31 March 1998 is £27,618 (1997 - £65,062) in respect of this covenant.

Fixed assets

Movements on fixed assets are set out in note 5 to the financial statements.

Year 2000

As is well known, many computer and digital storage systems express dates using only the last two digits of the year and will thus require modification or replacement to accommodate the year 2000 and beyond in order to avoid malfunctions and resulting widespread commercial disruption. This is a complex and pervasive issue. The operation of our business depends not only on our own computer systems, but also to some degree on those of our suppliers and customers. This could expose us to further risk in the event that there is a failure by other parties to remedy their own Year 2000 issues.

The company is well advanced in the phase of assessing the risks to our business resulting from the date change to the Year 2000. Once this phase is completed we can assess the likely impact on our activities and develop prioritised action plans to deal with the key risks. We can also assess the cost of implementing the action plans once this phase is completed.

CRUSAID (ENTERPRISES) LIMITED

Report of the directors for the year ended 31 March 1998 (*Continued*)

Directors

The directors of the company during the year were:

Andrew Stone	(appointed Chairman, 1 April 1998)
Liz Airey	
Dr Billy Bischoff	(appointed 2 February 1998)
Lady Cameron of Lochbroom	
Dr James Deutsch	(appointed 1 May 1997)
Lord Eatwell	(resigned as Chairman and Director, 31 March 1998)
Derek Granger	
Amanda Hardy	
Laurence Isaacson	
David MacFarlane	(appointed 7 April 1998)
Mo Rajabali	
Martin Sherwood	(resigned 31 December 1997)
John Steer	(appointed 4 November 1997)
Colin Tweedy	
Bob West	(appointed 1 July 1997)
Stephen Whitehead	(appointed 3 February 1998)

None of the directors had any interest in the share capital of the company during the year.

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 year. 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; and
- 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 maintaining 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. 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.

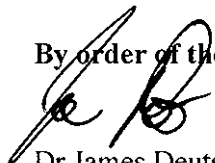
CRUSAID (ENTERPRISES) LIMITED

Report of the directors for the year ended 31 March 1998 (*Continued*)

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the Board

A handwritten signature in black ink, appearing to be 'J. Deutsch', written over the printed name.

Dr James Deutsch

Director

8 September 1998

CRUSAID (ENTERPRISES) LIMITED

Report of the auditors

To the shareholders of Crusaid (Enterprises) Limited

We have audited the financial statements on pages 6 to 11 which have been prepared under the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the 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.

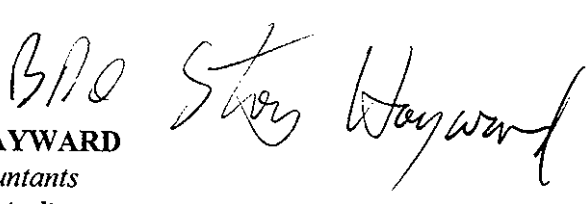
Basis of opinion

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 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 as at 31 March 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


BDO STOY HAYWARD
*Chartered Accountants
and Registered Auditors*
London

8 September 1998

CRUSAID (ENTERPRISES) LIMITED**Profit and loss account for the year ended 31 March 1998**

	Note	1998 £	1997 £
Turnover	2	232,441	310,845
Cost of sales		184,321	211,752
		<hr/>	<hr/>
Gross profit		48,120	99,093
Administrative expenses		22,419	35,385
		<hr/>	<hr/>
Operating profit	3	25,701	63,708
Interest receivable		1,917	1,354
		<hr/>	<hr/>
Profit on ordinary activities before and after taxation		27,618	65,062
Covenanted payment		27,618	65,062
		<hr/>	<hr/>
Retained profit for year and carried forward		-	-
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

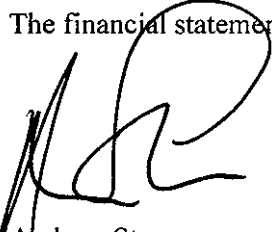
There are no movement in shareholders' funds apart from the result for the year.

The notes on pages 8 to 11 form part of these financial statements

CRUSAID (ENTERPRISES) LIMITED**Balance sheet at 31 March 1998**

	Note	1998	1997
		£	£
Fixed assets			
Tangible assets	5	4,078	9,463
Current assets			
Stocks	6	12,940	7,201
Debtors	7	19,496	63,639
Cash at bank and in hand		65,752	61,195
		<u>98,188</u>	<u>132,035</u>
Creditors: amounts falling due within one year	8	<u>52,266</u>	<u>91,498</u>
Net current assets		<u>45,922</u>	<u>40,537</u>
		<u>50,000</u>	<u>50,000</u>
Capital and reserves			
Called up share capital	9	50,000	50,000
Profit and loss account		-	-
Shareholders' funds (equity)		<u>50,000</u>	<u>50,000</u>

The financial statements were approved by the Board on 8 September 1998



Andrew Stone
Director

The notes on pages 8 to 11 form part of these financial statements

CRUSAID (ENTERPRISES) LIMITED

Notes forming part of the financial statements for the year ended 31 March 1998

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents income derived from organised events and the sale of goods exclusive of value added tax, including donations collected with such income.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their estimated useful lives. It is calculated at the following rate:

Fixtures, fittings and equipment - 25% per annum straight line

Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Cost is based on the cost of purchase on a first in, first out basis.

Leases

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term.

2 Turnover

The company's turnover is wholly attributable to its principal activity which is carried out in the United Kingdom.

3 Operating profit is stated after charging:

	1998 £	1997 £
Auditors' remuneration	6,609	5,750
Depreciation	5,277	5,247
Loss on disposal of fixed assets	108	258
Operating leases - hire of plant and machinery	2,968	3,239
- hire of other assets	11,750	11,750
	<hr/>	<hr/>

CRUSAID (ENTERPRISES) LIMITED

Notes forming part of the financial statements for the year ended 31 March 1998 (*Continued*)

3 Operating profit is stated after charging/(crediting): (*Continued*)

The company has no direct employees. The parent company provides personnel for which it charges arms length rates. The average number of such personnel was 1 (1997 - 1).

4 Taxation

No taxation has been provided for as the company has entered into a deed of covenant, whereby the company's net taxable profit is paid to its parent charity, Crusaid.

5 Tangible fixed assets

	Fixtures, fittings and equipment £
<i>Cost</i>	
At 1 April 1997	53,181
Disposals	(25,233)
	<hr/>
At 31 March 1998	27,948
	<hr/>
<i>Depreciation</i>	
At 1 April 1997	43,718
Provided for the year	5,277
Disposals	(25,125)
	<hr/>
At 31 March 1998	23,870
	<hr/>
<i>Net book value</i>	
At 31 March 1998	4,078
	<hr/>
At 31 March 1997	9,463
	<hr/>

CRUSAID (ENTERPRISES) LIMITEDNotes forming part of the financial statements for the year ended 31 March 1998 (*Continued*)**6 Stocks**

	1998 £	1997 £
Goods for resale	12,940	7,201

The directors consider that there is no material difference between the replacement cost and historical cost of stock.

7 Debtors

	1998 £	1997 £
Trade debtors	1,645	2,966
Prepayments and accrued income	8,149	9,337
Amounts due from parent company	9,702	51,336
	19,496	63,639

All amounts fall due for payment within one year.

8 Creditors: amounts falling due within one year

Trade creditors	6,232	2,451
Amounts due to parent company	22,454	49,447
Income tax	5,164	15,615
Value added tax	1,042	2,556
Other creditors	5,005	8,128
Accruals and deferred income	12,369	13,301
	52,266	91,498

CRUSAID (ENTERPRISES) LIMITED

Notes forming part of the financial statements for the year ended 31 March 1998 (*Continued*)

9 Share capital

	Authorised £	Allotted, called up and fully paid £
Ordinary shares of £1 each	50,000	50,000
	<u> </u>	<u> </u>

10 Commitments under operating leases

At 31 March 1998 the company had annual commitments under non-cancellable operating leases as set out below:

	1998		1997	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
Between 2-5 years	11,750	2,968	11,750	3,239
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

11 Parent company

The company's ultimate parent company is Crusaid (limited by guarantee).

12 Cash flow statement

The company has taken advantage of the exemption allowed under Financial Reporting Standard No. 1 'Cash Flow Statements' not to produce a cash flow statement as it qualifies as a small entity.