

Abbreviated accounts

for the year ended 30 June 1996

Company registration

England 2 388 128

SIGNED COPY FOR
REGISTER OF COMPANIES



Auditor's report to Castle Group Limited

pursuant to section 247B of the Companies Act 1985.

We have examined the abbreviated accounts on pages 3 to 6 together with the financial statements of Castle Group Limited prepared under section 226 of the Companies Act 1985 for the year ended 30 June 1996.

Respective responsibilities of directors and auditors

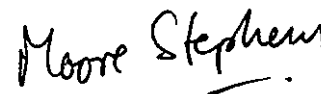
The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion, the company is entitled under sections 247 and 247A of the Companies Act 1985 to the exemptions conferred by section 246 of that Act, in respect of the year ended 30 June 1996, and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with Schedule 8A to that Act.



12 Alma Square
Scarborough
YO11 1JU

17 April 1997

MOORE STEPHENS

Registered Auditors
Chartered Accountants

CASTLE GROUP LIMITED

Balance sheet

as at 30 June 1996

	Note	£	£	1995 £	1995 £
Fixed assets					
Intangible assets	2		32,669		—
Tangible assets	3		118,523		—
Investments	4		15,014		15,014
			<u>166,206</u>		<u>15,014</u>
Current assets					
Stocks		157,546		—	
Debtors	7	259,369		85,175	
Cash at bank and in hand		199		—	
		<u>417,114</u>		<u>85,175</u>	
Creditors: amounts falling due within one year	5	382,472		100,181	
Net current assets/liabilities			<u>34,642</u>		<u>(15,006)</u>
Total assets less current liabilities			<u>200,848</u>		<u>8</u>
Creditors: amounts falling due after more than one year	5		98,882		—
Provisions for liabilities and charges			4,853		—
Net assets			<u>97,113</u>		<u>8</u>
Capital and reserves					
Called up share capital	6		18		8
Profit and loss account			97,095		—
Shareholders' funds			<u>97,113</u>		<u>8</u>

Approved by the board of directors on 17 April 1997.

Advantage is taken of the exemptions conferred by part III of schedule 8 of the Companies Act 1985 with respect to the delivery of individual accounts. In the opinion of the directors, the company is entitled to those exemptions on the grounds that it has met the qualifications for a small company specified in sections 246 and 247.

The directors have taken advantage of special exemptions conferred by Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of accounts and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.


P.C. Hudson
Director

Notes to the accounts

for the year ended 30 June 1996

1 Accounting policies

These accounts have been prepared under the historical cost convention adopting the following principal accounting policies.

1.01 Depreciation

Depreciation of fixed assets has been provided at various rates which are anticipated to amortise the cost over the assets' expected useful lives. Indicative annual rates are:—

Plant & machinery	15%	reducing balance basis
Motor vehicles	25%	reducing balance basis
Fixtures, fittings, tools & equipment	15%	straight line basis
Hire stock	10%	straight line basis

1.02 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.03 Turnover

Turnover comprises sales to customers of goods and services net of value added tax. Turnover also includes grants received.

1.04 Deferred taxation

It is the directors' policy to provide for deferred taxation only to the extent that a liability is anticipated to arise in the foreseeable future.

1.05 Research and development

Research and development expenditure is charged to profit and loss account in the year in which it is incurred.

1.06 Leases

Assets acquired under finance lease agreements, including hire purchase agreements, are capitalised and the corresponding liability is included in creditors. Finance lease interest is charged to the profit and loss account on a straight line basis over the period of the agreement. Operating lease rentals are charged against profits of the period to which they relate.

1.07 Government grants

Government grants received in respect of expenditure charged to the profit and loss account during the year have been included in profit and loss.

1.08 Goodwill

Purchased goodwill is capitalised and amortised over its expected useful economic life which is anticipated to be no longer than 20 years.

1.09 Cash flow statement

The company is not required to prepare a cash flow statement under Financial Reporting Standard 1 since it qualifies as a small company.

1.10 Consolidation

The company is not required to produce group accounts as it qualifies as a small sized group.

Notes to the accounts

for the year ended 30 June 1996

2 Intangible assets

	£
Cost	
As at 30.06.95	—
Acquired	34,388
As at 30.06.96	<u>34,388</u>
Amortisation	
As at 30.06.95	—
Provided in year	1,719
As at 30.06.96	<u>1,719</u>
Net book value	
As at 30.06.95	—
As at 30.06.96	<u>32,669</u>

3 Tangible assets

	£
Cost	
As at 30.06.95	—
Transferred from group companies	197,735
Additions	62,388
Own work capitalised	6,572
Disposals	(52,000)
Transferred to current assets	(8,630)
As at 30.06.96	<u>206,065</u>
Depreciation	
As at 30.06.95	—
Transferred from group companies	86,771
Provided in year	17,182
Released on disposal	(16,411)
As at 30.06.96	<u>87,542</u>
Net book value	
As at 30.06.95	—
As at 30.06.96	<u>118,523</u>

Notes to the accounts

for the year ended 30 June 1996

4 Investments — investments in subsidiaries

	Castle Associates Limited	General Acoustics Limited	Peters Medical Equipment Limited	Total
Cost	£	£	£	£
As at 30.06.95	14,994	10	10	15,014
Additions/disposals	—	—	—	—
As at 30.06.96	14,994	10	10	15,014
Provisions				
As at 30.06.95	—	—	—	—
Disposals/repayments	—	—	—	—
As at 30.06.96	—	—	—	—
Net book value				
As at 30.06.95	14,994	10	10	15,014
As at 30.06.96	14,994	10	10	15,014
Class of shares held	Ordinary	Ordinary	Ordinary	
Percentage of capital held	99.96%	100%	100%	
Aggregate capital & reserves at 30 June 1996	£115,612	(£22,478)	(£13,686)	
Profit/(loss) for the year to 30 June 1996	—	—	—	
Principal activities:				
Castle Associates Limited	—	Dormant		
General Acoustics Limited	—	Dormant		
Peters Medical Equipment Limited	—	Dormant		

	£	1995 £
5 Secured borrowings		
Bank loans and overdrafts falling due within one year	48,199	81,003
Bank loans due wholly or in part after five years :—		
Instalments due within 1–2 years	2,874	—
Instalments due within 3–5 years	10,479	—
Instalments due thereafter	38,819	—
	<u>100,371</u>	<u>81,003</u>

The bank loan and overdraft are secured by a debenture over the assets of the company and cross guarantees relating to the borrowings of other group companies. The bank loan is repayable by equal monthly instalments over thirteen years, concluding in April 2008, and bears interest at commercial rates.

	£	1995 £
6 Share capital		
Authorised:		
Ordinary £1 'A' shares	1,000	1,000
Ordinary £1 'B' shares	1,000	—
	<u>2,000</u>	<u>1,000</u>
Issued & fully paid:		
Ordinary £1 'A' shares	8	8
Ordinary £1 'B' shares	10	—
	<u>18</u>	<u>8</u>

During the year 10 ordinary £1 'B' shares were issued at par.

7 Debtors

Included in debtors is £134,946 (1995—£85,175) owed by group companies which has no specific repayment terms and which may therefore be due after more than one year.