

INITIAL PROJECTS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

31 MARCH 1995

Company Registration No 2589078



INITIAL PROJECTS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

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AUDITORS' REPORT**TO THE DIRECTORS OF INITIAL PROJECTS LIMITED****PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages 3 to 7 together with the financial statements of Initial Projects Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1995.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated financial statements 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 financial statements have been properly prepared from those financial statement. 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 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part 3 of Schedule 8 to that Act, in respect of the year ended 31 March 1995, and the abbreviated financial statements on pages 3 to 7 have been properly prepared in accordance with that Schedule.

Other information

On 11 July 1995 we reported, as auditors of Initial Projects Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 1995, and our audit report was as follows:

"We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention as modified by the revaluation of freehold properties and the accounting policies set out on page 4.

Respective responsibilities of directors and auditors

AS described on page 2 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.

continued...

AUDITORS' REPORT

TO THE DIRECTORS OF INITIAL PROJECTS LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

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 at 31 March 1995 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

Garratt & Co

Garratt & Co
Registered Auditors
Chartered Accountants
27 Waterloo Road
Wolverhampton
WV1 4DJ

11 July 1995

INITIAL PROJECTS LIMITEDABBREVIATED BALANCE SHEET31 MARCH 1995

	<u>Note</u>	<u>1995</u> £	<u>1994</u> £
FIXED ASSETS			
Tangible assets	2	<u>24,486</u>	<u>8,788</u>
CURRENT ASSETS			
Stock		8,594	9,042
Debtors		66,394	11,996
Cash and bank balances		<u>20,866</u>	<u>490</u>
		<u>95,854</u>	<u>21,528</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	3	<u>(106,381)</u>	<u>(23,405)</u>
NET CURRENT (LIABILITIES)		<u>(10,527)</u>	<u>(1,877)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		13,959	6,911
CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR	4	(4,815)	(1,749)
PROVISION FOR LIABILITIES AND CHARGES		<u>(412)</u>	<u>(154)</u>
		<u>£8,732</u>	<u>£5,008</u>
CAPITAL AND RESERVES			
Called up share capital	5	2	2
Profit and loss account	6	<u>8,730</u>	<u>5,006</u>
SHAREHOLDERS' FUNDS		<u>£8,732</u>	<u>£5,008</u>

Advantage has been taken of the exemptions for small companies conferred by Section A Part 3 to the Companies Act 1985 on the grounds that, in the directors' opinion, the company is entitled to benefit from those exemptions as a small company.

The financial statements were approved by the directors on 11 July 1995.

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A J Chell Director

.....
I D Parry Director

INITIAL PROJECTS LIMITEDNOTES TO THE ABBREVIATED FINANCIAL STATEMENTSYEAR ENDED 31 MARCH 1995**1 ACCOUNTING POLICIES****a) Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

b) Accounting convention

The financial statements are prepared under the historical cost convention.

c) Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small company.

d) Tangible fixed assets

Depreciation is provided so as to write off the cost of tangible fixed assets over their anticipated useful lives. The rates of depreciation are as follows:

Plant and equipment:	15% per annum, reducing balance
Motor vehicles:	25% per annum, reducing balance

e) Leases and hire purchase

Assets on finance leases and hire purchase are capitalised and depreciated as above or over the term of the agreements. The amounts outstanding in respect thereof are treated as creditors. Interest payments are charged to the profit and loss account using the actuarial method.

The rental payments in respect of operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

f) Stock

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost includes materials, labour and appropriate overheads.

g) Deferred taxation

Deferred taxation is provided at the current tax rate on differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements except where the tax reduction is expected to continue for the foreseeable future.

INITIAL PROJECTS LIMITED

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NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 1995

2 TANGIBLE FIXED ASSETS	Plant & Equipment	Motor Vehicles	Total
Cost			
1 April 1994	2,640	8,725	11,365
Additions	<u>2,419</u>	<u>18,630</u>	<u>21,049</u>
31 March 1995	<u>5,059</u>	<u>27,355</u>	<u>32,414</u>
Depreciation			
1 April 1994	396	2,181	2,577
Charge for the year	<u>549</u>	<u>4,802</u>	<u>5,351</u>
31 March 1995	<u>945</u>	<u>6,983</u>	<u>7,928</u>
Net book value			
31 March 1995	£4,114	£20,372	£24,486
	=====	=====	=====
31 March 1994	£2,244	£6,544	£8,788
	=====	=====	=====

Included in the above are assets on hire purchase. Their net book value at 31 March 1995 and the related depreciation charge for the year were as follows:

	<u>1995</u>	<u>1994</u>
	£	£
Motor vehicles: net book value	£19,711	£5,622
depreciation charge	<u>£4,581</u>	<u>£1,888</u>

3 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR These include:

	<u>1994</u>	<u>1993</u>
	£	£
Obligations under hire purchase agreement:	£9,977	£3,793
	=====	=====

4 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>1995</u>	<u>1994</u>
	£	£
Obligations under hire purchase agreement	£4,815	£1,749
	=====	=====

5 CALLED UP SHARE CAPITAL

	<u>1995</u>	<u>1994</u>
	£	£
Authorised		
Ordinary shares of £1 each	£100	£100
	=====	=====
Allotted and fully paid		
2 Ordinary shares of £1 each	£2	£2
	=====	=====

6 RESERVES

	<u>Profit and loss account</u>
	£
Balance at 1 April 1994	5,006
Profit for the year	<u>3,724</u>
Balance at 31 March 1995	<u>£8,730</u>
	=====