

VINCENT LANDSCAPES LIMITED

FINANCIAL STATEMENTS

30TH APRIL 1998

Company Registration Number 2590032

MACINTYRE HUDSON

Chartered Accountants & Registered Auditor

Equipoise House

Grove Place

Bedford

MK40 3LE



VINCENT LANDSCAPES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 1998

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VINCENT LANDSCAPES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors P.D. Vincent
L.K. Vincent

Company secretary L.K. Vincent

Registered office Equipoise House
Grove Place
Bedford
MK40 3LE

Auditors MacIntyre Hudson
Chartered Accountants
& Registered Auditor
Equipoise House
Grove Place
Bedford
MK40 3LE

Bankers Midland Bank Plc
12 Allhallows
Bedford
MK40 1LJ

VINCENT LANDSCAPES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30TH APRIL 1998

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30th April 1998.

PRINCIPAL ACTIVITIES

The principal activity of the company has continued to be that of landscaping contractors.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 30 Apr 98	At 1 May 97
P.D. Vincent	510	510
L.K. Vincent	<u>490</u>	<u>490</u>

AUDITORS

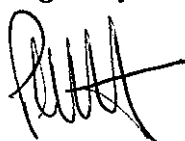
A resolution to re-appoint MacIntyre Hudson as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Equipoise House
Grove Place
Bedford
MK40 3LE

Signed by order of the directors



P.D. Vincent
Director

Approved by the directors on 25th February 1999

VINCENT LANDSCAPES LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 30TH APRIL 1998

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on pages 7 to 8, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; 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 keeping 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 1985. The directors 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.

VINCENT LANDSCAPES LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 30TH APRIL 1998

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 to 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE 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

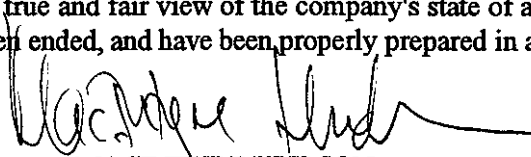
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 company's state of affairs as at 30th April 1998 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Equipoise House
Grove Place
Bedford
MK40 3LE


MACINTYRE HUDSON
Chartered Accountants
& Registered Auditor

25th February 1999

VINCENT LANDSCAPES LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 30TH APRIL 1998**

	Note	1998 £	1997 £
TURNOVER		494,861	365,340
Cost of sales		356,434	257,715
GROSS PROFIT		138,427	107,625
Administrative expenses		107,574	84,315
OPERATING PROFIT	1	30,853	23,310
Interest receivable and similar income		86	1,759
Interest payable and similar charges	3	(5,212)	(2,101)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		25,727	22,968
Tax on profit on ordinary activities	4	6,340	5,330
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		19,387	17,638
Equity dividends paid		-	40,000
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		19,387	(22,362)
Balance brought forward		132,991	155,353
Balance carried forward		152,378	132,991

The company has no recognised gains or losses other than the results for the year as set out above.

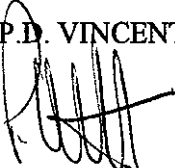
All of the activities of the company are classed as continuing.

VINCENT LANDSCAPES LIMITED**BALANCE SHEET****30TH APRIL 1998**

	Note	1998 £	£	1997 £
FIXED ASSETS				
Tangible assets	5		206,990	<u>177,514</u>
CURRENT ASSETS				
Stocks	6	32,209		24,741
Debtors	7	68,090		52,665
Cash at bank and in hand		<u>11,563</u>		<u>11,122</u>
		111,862		88,528
CREDITORS: Amounts falling due within one year	8	<u>(107,854)</u>		<u>(99,960)</u>
NET CURRENT ASSETS/(LIABILITIES)			4,008	<u>(11,432)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			210,998	166,082
CREDITORS: Amounts falling due after more than one year	9		<u>(38,274)</u>	<u>(19,085)</u>
			172,724	146,997
PROVISIONS FOR LIABILITIES AND CHARGES				
Deferred taxation	10		<u>(17,196)</u>	<u>(10,856)</u>
			<u>155,528</u>	<u>136,141</u>
CAPITAL AND RESERVES				
Called-up equity share capital	14		1,000	1,000
Share premium account			2,150	2,150
Profit and loss account			<u>152,378</u>	<u>132,991</u>
SHAREHOLDERS' FUNDS (all equity interests)15			<u>155,528</u>	<u>136,141</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 25th February 1999 and are signed on their behalf by:

P.D. VINCENT


VINCENT LANDSCAPES LIMITED

ACCOUNTING POLICIES

YEAR ENDED 30TH APRIL 1998

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

Turnover represents net invoiced sales of landscaping services exclusive of value added tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and Machinery	-	At 15% - 25% on written down value
Motor Vehicles	-	At 25% on written down value
Office Equipment	-	At 25% on written down value

Work in progress

Work in progress is valued at cost of labour and materials for work done before the year end but invoiced after that date.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits as incurred.

Pension costs

The company's pension plan for employees is a defined contributions scheme. Consequently, the annual instalments charged to the profit and loss account are fixed under the terms of the scheme and the company has no potential liability other than for the payment of those instalments.

VINCENT LANDSCAPES LIMITED

ACCOUNTING POLICIES (CONTINUED)

YEAR ENDED 30TH APRIL 1998

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

VINCENT LANDSCAPES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30TH APRIL 1998

1. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	1998 £	1997 £
Depreciation	34,204	30,228
Loss on disposal of fixed assets	2,135	(218)
Auditors' fees	3,000	3,000
Operating lease costs:		
Land and buildings	<u>17,490</u>	<u>4,316</u>

2. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	1998 £	1997 £
Aggregate emoluments	<u>15,725</u>	<u>18,969</u>

The number of directors who are accruing benefits under company pension schemes were as follows:

	1998 No.	1997 No.
Money purchase schemes	<u>2</u>	<u>2</u>

3. INTEREST PAYABLE

	1998 £	1997 £
Finance charges	4,023	1,671
Other interest	<u>1,189</u>	<u>430</u>
	<u>5,212</u>	<u>2,101</u>

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1998 £	1997 £
Corporation tax based on the results for the year at 21.00% (1997 - 24.00%)	-	3,446
Increase in deferred tax provision (Note 10):		
Capital allowances	<u>6,340</u>	<u>1,884</u>
	<u>6,340</u>	<u>5,330</u>

VINCENT LANDSCAPES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30TH APRIL 1998

5. TANGIBLE FIXED ASSETS

	Plant and Machinery	Motor Vehicles	Office Equipment	Total
	£	£	£	£
COST				
At 1st May 1997	214,452	89,521	3,221	307,194
Additions	68,855	5,850	1,519	76,224
Disposals	(32,274)	-	-	(32,274)
At 30th April 1998	251,033	95,371	4,740	351,144
DEPRECIATION				
At 1st May 1997	89,413	39,268	999	129,680
Charge for the year	20,726	12,686	792	34,204
On disposals	(19,730)	-	-	(19,730)
At 30th April 1998	90,409	51,954	1,791	144,154
NET BOOK VALUE				
At 30th April 1998	160,624	43,417	2,949	206,990
At 30th April 1997	125,039	50,253	2,222	177,514

Hire purchase and finance lease agreements

Included within the net book value of £206,990 is £94,968 (1997 - £53,115) relating to assets held under hire purchase agreements, and £Nil (1997 - £13,366) relating to assets held under finance lease agreements. The depreciation charged in the year in respect of assets held under hire purchase agreements amounted to £10,153 (1997 - £4,048), and £Nil (1997 - £2,359) in respect of assets held under finance lease agreements.

6. STOCKS

	1998 £	1997 £
Work in progress	32,209	24,741

7. DEBTORS

	1998 £	1997 £
Trade debtors	60,918	44,913
Other debtors	-	7,099
Directors loan accounts	6,519	-
Prepayments and accrued income	653	653
	68,090	52,665

VINCENT LANDSCAPES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30TH APRIL 1998

8. CREDITORS: Amounts falling due within one year

	1998 £	1997 £
Bank loans and overdrafts	2,782	-
Trade creditors	35,870	33,158
Other creditors including:		
Advance Corporation Tax	-	10,000
Corporation tax	-	544
PAYE and social security	4,832	5,140
VAT	8,027	7,225
Hire purchase agreements	35,338	25,048
Directors loan accounts	-	9,883
Loan from Pension scheme	16,500	-
	<hr/>	<hr/>
	64,697	57,840
Accruals and deferred income	4,505	8,962
	<hr/>	<hr/>
	107,854	99,960

The bank overdraft is secured by a charge over the company's assets.

On 10th December 1997, the company was advanced a loan of £16,500 from the directors' pension scheme. The loan is repayable on 30th April 1999, and carries interest at 3% above Midland Bank Plc base rates.

9. CREDITORS: Amounts falling due after more than one year

	1998 £	1997 £
Hire purchase agreements	<u>38,274</u>	<u>19,085</u>

VINCENT LANDSCAPES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30TH APRIL 1998

10. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	1998 £	1997 £
Provision brought forward	10,856	8,972
Increase in provision	6,340	1,884
Provision carried forward	<u>17,196</u>	<u>10,856</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	1998 £	1997 £
Excess of taxation allowances over depreciation on fixed assets	17,196	10,856
	<u> </u>	<u> </u>

11. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	1998 £	1997 £
Amounts payable within 1 year	30,398	25,048
Amounts payable between 2 to 5 years	43,214	19,085
	<u>73,612</u>	<u>44,133</u>

12. COMMITMENTS UNDER OPERATING LEASES

At 30th April 1998 the company had annual commitments under non-cancellable operating leases as set out below.

	1998 £	Land & Buildings	1997 £
Operating leases which expire:			
After more than 5 years	<u>7,750</u>		<u>-</u>

The freehold premises from where the business operates, is leased on terms advised by Chartered Surveyors, under a 7 year lease agreement from the directors' pension scheme. The current annual rent paid to the pension scheme is £7,750.

VINCENT LANDSCAPES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 30TH APRIL 1998

13. TRANSACTIONS WITH THE DIRECTORS

During the year, Mr P.D. Vincent was granted a short term interest-free loan. Indebtedness on the loan was as follows:

	1998	1997
Liability at 1st May 1997	£ -	£ -
Liability at 30th April 1998	£ 6,519	£ -
Maximum liability during the year	£ 6,519	£18,479

14. SHARE CAPITAL

Authorised share capital:

	1998 £	1997 £
1,000 Ordinary shares of £1 each	1,000	1,000

Allotted, called up and fully paid:

	1998 £	1997 £
Ordinary share capital	1,000	1,000

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1998 £	1997 £
Profit for the financial year	19,387	17,638
Dividends	-	(40,000)
	19,387	(22,362)
Opening shareholders' equity funds	136,141	158,503
Closing shareholders' equity funds	155,528	136,141

16. ULTIMATE CONTROLLING PARTY

The ultimate controlling party of the company is the director, Mr.P.D Vincent.