

2638186

**Beadtower Limited****Principal Accounting Policies**

- 1 **Basis of Preparation of Financial Statements**  
The financial statements are prepared under the historical cost convention and incorporate the results of all the activities of the Company.
- 2 **Depreciation**  
It is not the Company's policy to depreciate Freehold property. Depreciation is provided at 20% on Cost on Furniture and Furnishings until written-off.
- 3 **Taxation**  
The charge for taxation is on the profit for the year at 21% and is subject to agreement by HM Inspector of Taxes.
- 4 **Cashflow Statement**  
The Company has taken advantage of the exemption given to small Companies in Financial Reporting Standard 1 from producing a cashflow statement.

**PROFIT & LOSS ACCOUNT****For the year ended 31 October 1998**

1997			
9,000	Rents receivable		£9,000
344	Interest receivable		369
9,344			9,369
2,823	Property Expenses	2,398	
900	Depreciation - Furniture & Furnishings	618	
3,723			3,016
5,621	OPERATING PROFIT		£6,353
137	Administrative Expenses		66
5,484			
1,345	NET PROFIT before tax		£6,287
	Corporation Tax at 21% less Overprovision previous year		1,113
4,139	Profit available for Distribution		5,174
2,160	Dividend at 8p per share (4p)		4,320
1,979	Retained earnings for the year		854
1,737	Balance brought forward		3,716
3,716	Balance carried forward		£4,570

**Balance Sheet**

1997

As at 31 October 1998

**FIXED ASSETS**

48,637	Freehold Property
313	Furniture
52	Furnishings
49,002	

<u>Cost</u>	<u>Depect</u>	<u>Net</u>
48,637	Nil	£ 48,637
2,823	2,631	192
2,119	2,119	--
53,134	4,132	£ 48,829

Continued



Continued

Balance Sheet

1997 As at 31 October 1998

CURRENT ASSETS

949	Debtors	294	
9,101	Bank Current/ Bus Res Account	10,131	
<u>10,050</u>			10,426

CREDITORS DUE WITHIN ONE YEAR

500	Deposits from tenants	500	
836	Corporation Tax payable	185	
<u>1,336</u>			<u>685</u>

8,714	NET CURRENT ASSETS	9,741
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<u>£57,716</u>		<u>£58,570</u>
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AUTHORISED SHARE CAPITAL

£100,000	100,000 Ordinary shares of £1 each	£100,000
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ISSUED AND FULLY PAID SHARE CAPITAL

£54,000	54,000 Ordinary shares of £1 each	£ 54,000
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3,716	PROFIT & LOSS ACCOUNT Balance	4,570
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<u>£57,716</u>		<u>£ 58,570</u>
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For the year ended 31 October 1998, the Company was entitled to exemption under subsection (1) of the Section 249A of the Companies Act 1985: No notice has been deposited under subsection (2) of Section 249B of said Act; Hence these accounts have not been audited.

The Directors acknowledge their responsibilities for (i) ensuring that the Company keeps proper accounting records which comply with Section 221 and (ii) preparing accounts which give a true and fair view of the state of the Company at 31 October 1998 and of its Profit for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirement of the Act relating to accounts, so far as applicable to the Company.

Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 and in the opinion of the Directors, the Company is entitled to such exemptions on the basis that it qualifies as a small Company.



R Crawford



B D Najak



W P D Roe



G F Wilson

Directors

31 March 1999