

COMPANY NUMBER 02644153

EUROPEAN HEALTH & SAFETY  
CONSULTANTS LIMITED

ACCOUNTS FOR THE YEAR ENDING

31ST MARCH, 1999



COMPANY NUMBER 02644153

COMPANY INFORMATION

DIRECTOR	MR. P. WINTER, M.B.E.
SECRETARY	MRS. M. WINTER
REGISTERED ADDRESS	20 FURZEN CLOSE, DUNSTABLE, BEDS. LU6 3EN
ACCOUNTANT	MR. C.W. SOPER, F.C.C.A., 20 FURZEN CLOSE, DUNSTABLE, BEDS. LU6 3EN
BANKERS	NATIONAL WESTMINSTER 40 KIMPTON ROAD, LUTON, BEDS. LU2 OSX

**COMPANY NUMBER 02644153****DIRECTORS REPORT**

The Directors submit their report and the accounts for the Company for the year ending 31st March, 1999.

**DIRECTORS' RESPONSIBILITIES**

The Directors are required by Company Law to prepare accounts for each financial period which give a true and fair view of the state of affairs of the Company at the end of the financial period and of the profit or loss for that period. In preparing the accounts, suitable accounting policies have been used and applied consistently, and reasonable and prudent judgments have been made. The Directors are also responsible for maintaining adequate accounting records, for safeguarding the assets of the company, and for preventing and detecting fraud and other irregularities. The Directors are satisfied that the business is a going concern.

**PRINCIPAL ACTIVITIES**

The Company was incorporated in England on the 9th September 1991. The Company was dormant within the meaning of Section 252 of the Companies Act 1985 throughout the period ending 31st March 1992. The Company commenced trading on the 1st April 1992, as Health and Safety Consultants.

**DIVIDEND**

The Directors recommend that a dividend be paid on the 31st March 1999 at £25000.00 per share. (1998-£7500).

**REVIEW OF BUSINESS**

The result for the trading year, financial position of the Company and recommended transfer to reserves are shown in the annexed financial statements.

**FUTURE DEVELOPMENTS AND EVENTS SINCE THE PERIOD END**

There have been no events since the end of the period which have had a material effect on the business of the Company.

**DIRECTORS**

The Directors in office during the year with their interests in share capital were as follows:

	<u>Number of £1 Shares Held</u>	
	<u>1999</u>	<u>1998</u>
Mr. P. Winter	1	1
Mrs. M. Winter	1	1

Mr. Winter, being eligible, offers himself for re-election at the Annual General Meeting.

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COMPANY NUMBER 02644153

**MAJOR ADDITIONS AND DISPOSALS TO FIXED ASSETS**

The major additions and disposals to fixed assets are shown in the notes to the accounts.

**ACCOUNTANTS**

Mr. C.W. Soper, F.C.C.A. has expressed his willingness to continue to act for the company and being eligible for re-appointment will be proposed at the Annual General Meeting.

The Annual General Meeting will be held on the 11th July 1999.

**BASIS OF PREPARATION**

In preparing the above report the directors have taken advantage of the special provisions of part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Directors on 26th June, 1999  
and signed on their behalf by:



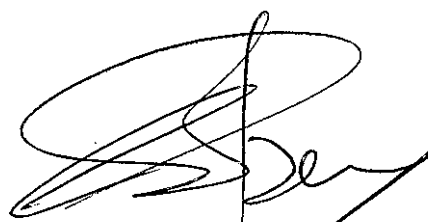
M. WINTER, Secretary

COMPANY NUMBER 02644153

ACCOUNTANTS REPORT ON THE UNAUDITED ACCOUNTS TO THE  
DIRECTORS OF  
EUROPEAN HEALTH AND SAFETY CONSULTANTS LIMITED

As described on the balance sheet, you are responsible for the preparation of the financial statements for the year ending 31st March 1999 set out on pages 1 - 12 and you consider that the company is exempt from an audit and a report under s249A(1) of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited financial statements from the accounting records and information and explanations received by us, in order to assist you to fulfil your statutory responsibilities.



C.W. Soper, F.C.C.A.,  
Chartered/Certified Accountants.

20 Furzen Close,  
DUNSTABLE, Beds.  
LU6 3EN

Date 26.6.99

COMPANY NUMBER 02644153PROFIT AND LOSS ACCOUNT FOR THE YEAR  
ENDED 31ST MARCH, 1999

	<u>1999</u>	<u>1998</u>
Turnover	241851	183905
Cost of Sales	<u>120170</u>	<u>129495</u>
GROSS PROFIT	121681	54410
Administration Costs	<u>52277</u>	<u>49000</u>
OPERATING PROFIT	69404	5410
Profit/(Loss) on disposal of Asset	0	4386
Interest Received	<u>1444</u>	<u>1809</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	70848	11605
Tax on Profit on Ordinary Activities	<u>18602</u>	<u>4663</u>
PROFIT FOR THE YEAR	52246	6942
Dividend	<u>50000</u>	<u>15000</u>
Retained Profit/(Loss) for the year	<u>2246</u>	<u>-8058</u>

None of the company's activities were acquired or discontinued in the above periods shown.

Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses other than the profit and loss for the above two financial years.

The notes form part of the financial statements. All the above amounts relate to continuing activities of the Company in the period.

**EUROPEAN HEALTH AND SAFETY CONSULTANTS LIMITED****PAGE 6****COMPANY NUMBER 02644153****BALANCE SHEET AS AT 31ST MARCH, 1999**

	<b>1999</b>	<b>1999</b>	<b>1998</b>	<b>1998</b>
<b><u>FIXED ASSETS</u></b> (@ Cost less Deprn.)				
Cars	11974		17500	
Computer	3172		3461	
Office Equipment	1425		991	
		16571		21952
<b><u>CURRENT ASSETS</u></b>				
Debtors	44643		9977	
Sundry Debtors & Prepayments	1066		1195	
Cash at Bank and In Hand	6606		27930	
	52315		39102	
<b><u>CURRENT LIABILITIES</u></b>				
Creditors	7991		9974	
Sundry Creditors & Accruals	3184		803	
Taxation	6102		913	
	17277		11690	
Net Current Assets		35038		27412
NET ASSETS		51609		49364
<b><u>CAPITAL RESERVE</u></b>				
Called Up Share Capital	2		2	
Retained Profits	51607		49362	
		51609		49364

**EXEMPTION FROM AUDIT**

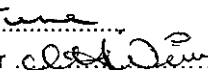

The Directors confirm:

- a) The company is entitled to exemption under S249A Companies Act 1985 from requirement to have its accounts audited.
- b) No notice has been deposited under S249B(2) by holders of 10% or more of the company's shares.
- c) and acknowledge their responsibilities for:
- (i) ensuring that the company keeps accounting records which comply with S221 of the Act.
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the year end date above and of its profit or loss for the year in accordance with the requirements of S226 of the Act and which otherwise comply with the requirements of the Act, so far as applicable to the company.

**REDUCED DISCLOSURE**

The director has taken advantage in the preparation of the financial statements of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements are prepared under the Financial Reporting Standards for smaller companies.

APPROVED BY THE BOARD OF DIRECTORS ON 26th June 1999  
AND SIGNED ON THEIR BEHALF BY: Mr. P. Winter, Mrs. M. Winter  

The attached notes form an integral part of the accounts.

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST MARCH 1999

1. ACCOUNTING POLICIES

a) *Basis of Preparation:* The accounts are prepared under the historical cost convention.

b) *Statement of Cash Flows:* The company is exempt from the requirements to prepare a statement of Cash Flows under FRS1 since it qualifies as a small company.

c) *Deferred Taxation:* Deferred taxation is provided on the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is expected that taxation will be payable.

d) *Depreciation:* Depreciation is provided on all tangible fixed assets at the following annual rates, calculated to write off each asset over its expected useful life.

Fixtures and Fittings	25% straight line
Motor Vehicles	25% straight line
Computers	25% straight line
Office Equipment	25% straight line

e) *Hire purchase commitments:* Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Rentals paid under operating leases are charged to the profit and loss account as incurred.

f) *Turnover:* Turnover represents the net invoiced sales excluding VAT.

g) *Foreign currencies:* Transactions in foreign currencies are translated into £ sterling at the rates of exchange prevailing on the transaction date. Assets and liabilities in foreign currencies are translated into £ sterling at the rates of exchange prevailing at the balance sheet date. Exchange differences are taken into account in arriving at the operating profit.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 31ST MARCH, 1999

1. OPERATING PROFIT

The operating profit for the year is arrived at after charging:

	<u>1999</u>	<u>1998</u>
Depreciation	9754	8507
Accountants Remuneration	600	700
Directors Remuneration	59400	59400
Directors National Insurance	6245	6340

2. STAFF COSTS

	<u>1999</u>	<u>1998</u>
Wages and Salaries	26414	11345
National Insurance	2086	4274

The average weekly number of employees during the period was 3 (1998-3).

3. TAXATION

Deferred taxation is provided using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate of which is anticipated the timing differences will reverse. Advance Corporation Tax which is expected to be recoverable in the future is deducted from the deferred taxation balance.

	<u>1999</u>	<u>1998</u>
Deferred Taxation	18602	4663
Advance Corporation Taxation	<u>-12500</u>	<u>-3750</u>
	<u>6102</u>	<u>913</u>

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5. FIXED ASSETS

	OFFICE FIXTURES EQUIP. & FITTING		CAR	COMP	TOTAL
<u>Cost</u>					
Balance Brought Forward	3171	6604	22105	9024	40904
Addition	1638	0	0	2738	4376
Sales	0	0	0	0	0
Balance Carried Forward	4809	6604	22105	11762	45280
<u>Depreciation</u>					
Balance Brought Forward	2181	6604	4605	5564	18954
Sales	0	0	0	0	0
Charge for year	1203	0	5526	3026	9755
Balance Carried Forward	3384	6604	10131	8590	28709
Residual Value 31.3.99	1425	0	11974	3172	16571
Residual Value 31.3.98	990	0	17500	3460	21950

6. CAPITAL COMMITMENTS

There are no capital commitments (1998-NIL)

7. DEBTORS

Due within one year:

	<u>1999</u>	<u>1998</u>
Trade Debtors	44643	9977
Prepayments	1066	1195
	<u>45709</u>	<u>11172</u>

8. CREDITORS

Due within one year:

	<u>1999</u>	<u>1998</u>
Trade	2562	932
H.P. Creditor	5429	9042
Accruals and Deferred Income	3184	803
Taxation	6102	913
	<u>17277</u>	<u>11690</u>

9. SHARE CAPITAL

Authorised Number	Class	Nominal Value	Value
100	Ordinary	£1	100

Allotted, issued and fully paid - 2 ordinary shares of £1 each.

10. RETAINED PROFITS

	<u>1999</u>	<u>1998</u>
Balance Brought Forward	49362	52260
Profit for the year	<u>70848</u>	<u>11605</u>
	120210	63865
Dividend	-50000	-15000
ACT	<u>-12500</u>	<u>3750</u>
	57710	52615
Corporation Tax Movement	<u>6103</u>	<u>3253</u>
Balance Carried Forward	<u>51607</u>	<u>49362</u>

TRADING PROFIT AND LOSS ACCOUNT FOR THE YEAR  
ENDED 31ST MARCH, 1999

	<u>1999</u>	<u>1998</u>
Sales and Work Done	241851.25	183904.71
<u>Cost of Sales</u>		
Sub Contracted Consultants Fees	20341.30	32574.75
Employers Liability Insurance	1779.08	1703.72
Room Hire and Associated Cost	3474.35	13518.02
Training Course Fees	430.00	340.00
Directors Salaries (incl. Statutory Taxes)	65645.20	65739.84
Staff Salaries (incl. Statutory Taxes)	28500.02	15618.74
	<u>120169.95</u>	<u>129495.07</u>
GROSS PROFIT	121681.30	54409.64
<u>Administration Costs</u>		
Pension Contributions	10000.00	10000.00
Car Expenses	1442.12	540.75
Travel Cost	6197.49	6053.04
Advertising	909.70	448.68
Printing & Stationery	2251.41	4124.45
Repairs and Renewals	173.00	785.55
Computer Software & Maintenance	338.06	29.06
Telephone	2345.27	2457.81
Postage	310.91	359.01
Entertaining	941.01	258.30
Cleaning	118.88	134.83
Office Sundries	80.32	118.50
Electricity to Office	840.00	630.00
Legal and Professional	15.00	15.00
Subscriptions	1441.37	182.99
Other Fees	12781.92	11629.03
Bad Debts Written Off	0.00	1011.16
Accountancy and Audit Fees	635.00	815.00
H.P. Interest	1467.38	560.52
Bank Charges	234.14	339.00
Depreciation - Car	5526.00	5457.00
- Computer	3025.72	2256.74
- Office Equipment	1202.66	793.28
	<u>52277.36</u>	<u>48999.70</u>

COMPANY NUMBER 02644153TRADING PROFIT AND LOSS ACCOUNT FOR THE YEAR  
ENDED 31ST MARCH 1999 (CONTINUED)

	<u>1999</u>	<u>1998</u>
Operating Profit for the Year	69403.94	5409.94
Profit ( Loss) on Disposal of Asset	0.00	4386.00
Add: Bank Interest Received - Gross	<u>1443.07</u>	<u>1808.69</u>
NET PROFIT FOR THE YEAR	<u>70847.81</u>	<u>11604.63</u>

EUROPEAN HEALTH AND SAFETY CONSULTANTS LIMITED

COMPANY NUMBER 02644153

TAX COMPUTATION -  
YEAR ENDED 31ST MARCH, 1999

CASE 1

Profit Per Accounts		70847.81
Add:		
Depreciation	9754.38	
Entertaining	941.01	
Other Fees	<u>12781.92</u>	
		<u>23477.31</u>
		94325.12
Deduct: Capital Allowances		<u>5742.00</u>
Adjusted Taxable Profit		<u><u>88583.12</u></u>
Tax @ 21%		18602.46
ACT paid on dividends		<u>12500.00</u>
TAX DUE		<u>6102.46</u>

EUROPEAN HEALTH AND SAFETY CONSULTANTS LIMITED

COMPANY NUMBER 02644153

CAPITAL ALLOWANCE COMPUTATION FOR THE YEAR  
ENDED 31ST MARCH, 1999

	<u>CAR</u>	<u>POOL</u>	<u>CLAIMED</u>
W.D.V. Brought Forward	19855	6591	
Additions	<u>0</u>	<u>4376</u>	
	19855	10967	
W.D.A. @ 25%	<u>3000</u>	<u>2742</u>	5742
W.D.V. Carried Forward	<u>16855</u>	<u>8225</u>	
			<u>5742</u>