

COMPANY NUMBER

2647030

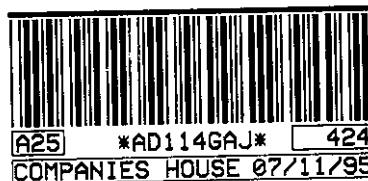
THE UNDERSTANDING INDUSTRY TRUST

(A COMPANY LIMITED BY GUARANTEE)

REGISTERED CHARITY NO.: 1004426

FINANCIAL STATEMENTS

31ST AUGUST 1995



McCABE FORD WILLIAMS
CHARTERED ACCOUNTANTS
41-43 WILLIAM STREET
HERNE BAY
KENT
CT6 5NT

THE UNDERSTANDING INDUSTRY TRUST
(A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	<u>Page</u>
Company Information	1
Trustees' Report	2 to 3
Auditors' Report	4
Income and Expenditure Account	5
Balance Sheet	6
Notes to the Financial Statements	7 to 9

THE UNDERSTANDING INDUSTRY TRUST
(A COMPANY LIMITED BY GUARANTEE)

COMPANY INFORMATION

TRUSTEES:

CHAIRMAN: Peter Gummer

Sir Jeffery Bowman

A.C. Everett

R.B. Horton

Sir Christopher Lewinton

J. Leigh Pemberton

Dr. W. Proudlock

G.M.J. Richardson

S.A. Woodward

(resigned 11.02.1995)

OTHER OFFICERS:

Chief Executive:

Stuart Bishell

Company Secretary:

J.W.C. Wren

PRINCIPAL ADDRESS
AND REGISTERED OFFICE:

ENTERPRISE HOUSE
59-65 UPPER GROUND
LONDON
SE1 9PQ

REGISTERED IN ENGLAND NO.:

2647030

REGISTERED CHARITY NO.:

1004426

AUDITORS:

McCABE FORD WILLIAMS
CHARTERED ACCOUNTANTS
41-43 WILLIAM STREET
HERNE BAY
KENT
CT6 5NT

TRUSTEES' REPORT

The Trustees present their report and the audited financial statements for the year ended 31st August 1995.

COMPANY'S ACTIVITY

The company's sole activity is the advancement of education and training in its relation to industry.

Understanding Industry Trust was established on 29th July 1986 as a registered educational trust (number 327241). On the 19th September 1991 the Trust transferred all of its activities, assets and liabilities to The Understanding Industry Trust, a company limited by guarantee and not having a share capital.

REVIEW OF THE BUSINESS

The results for the year are set out on page 5. The retained surplus for the year amounts to £49372 (1994: deficit £22,365) leaving the amount on Accumulated Fund at £86318 (1994: £36,946).

TRUSTEES (DIRECTORS) AND THEIR INTERESTS

All the Trustees are directors and members of the company. All members are liable to contribute to the assets of the company in a winding up to a maximum of £1 each.

The Trustees during the year were - P. Gummer, Sir Jeffery Bowman, A.C. Everett, R.B. Horton, Sir Christopher Lewinton, J. Leigh Pemberton, Dr. W. Proudlock, S.A. Woodward and G.M.J. Richardson who resigned on 11.02.1995.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees 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. They 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.

THE UNDERSTANDING INDUSTRY TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

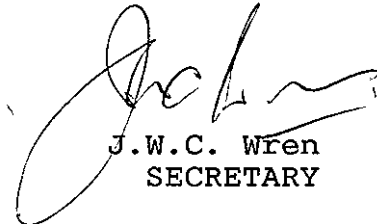
AUDITORS

A resolution to re-appoint McCabe Ford Williams, Chartered Accountants as auditors will be proposed at the forthcoming Annual General Meeting.

SPECIAL EXEMPTIONS

In preparing this report, the trustees have taken advantage of special exemptions applicable to small companies provided by Part II of Schedule 8 to the Companies Act 1985.

Signed on behalf of the Trustees



J.W.C. Wren
SECRETARY

Approved by the Trustees on 25th October 1995

AUDITORS' REPORT

TO THE TRUSTEES OF

THE UNDERSTANDING INDUSTRY TRUST

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described on page 2 the trustees 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 trustees 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 state of the company's affairs as at 31st August 1995 and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

McCabe Ford Williams

McCabe Ford Williams
Chartered Accountants
Registered Auditor

41-43 William Street
Herne Bay
Kent

31st October 1995

THE UNDERSTANDING INDUSTRY TRUST
(A COMPANY LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST AUGUST 1995

	<u>NOTES</u>	1995 ----	1994 -----
INCOME	2	940582	830706
Administration and operating expenses		896360	856811
OPERATING SURPLUS/(DEFICIT) 3		----- 44222	----- (26105)
Bank interest received		5150	3740
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		----- 49372	----- (22365)
Accumulated Fund Brought Forward		36946	59311
ACCUMULATED FUND CARRIED FORWARD		----- £86318 =====	----- £36946 =====

None of the company's activities were acquired or discontinued during the above two financial years.

A statement of the movement on reserves appears as note 9 to the financial statements.

The company had no recognised gains or losses other than the surplus/deficit for the above two financial years.

The notes on pages 7 to 9 form part of these financial statements.

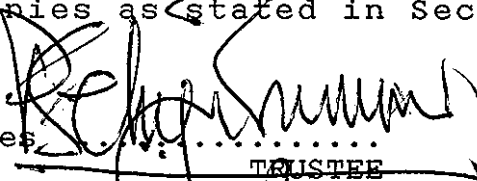
THE UNDERSTANDING INDUSTRY TRUST
(A COMPANY LIMITED BY GUARANTEE)

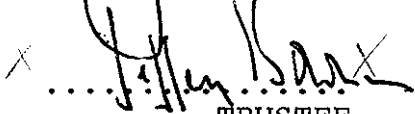
BALANCE SHEET AS AT 31ST AUGUST 1995

	<u>NOTES</u>	1995 -----	1994 -----
FIXED ASSETS			
Tangible assets	6	13543	16336
CURRENT ASSETS			
Stock		4500	3500
Debtors	7	104686	68902
Cash at bank and in hand		187559	97959
		-----	-----
		296745	170361
CREDITORS: Amounts falling due within one year	8	223970	149751
		-----	-----
NET CURRENT ASSETS		72775	20610
		-----	-----
		£86318	£36946
		=====	=====
CAPITAL AND RESERVES			
Accumulated Fund	9	£86318	£36946
		=====	=====

In preparing these financial statements, the trustees have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. The trustees have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

Signed on behalf of the Trustees


.....
TRUSTEE


.....
TRUSTEE

Approved by the Trustees on 25th October 1995

The notes on pages 7-9 form part of these financial statements.

THE UNDERSTANDING INDUSTRY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 1995

1. STATUS

The company is limited by guarantee and has no share capital. The liability of members in the event of winding-up is limited to £1 per member.

2. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

TANGIBLE FIXED ASSETS

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost less estimated residual value over their expected useful lives. The basis and rate used in the calculation for the provision for depreciation is:-

Office and computer equipment	15% to 20% Straight Line Basis
-------------------------------	--------------------------------

STOCKS

Stock is valued at the lower of cost and net realisable value.

INCOME

Income is entirely attributable to the sole activity of the company and represents the amounts invoiced in respect of goods and services supplied excluding value added tax.

OPERATING LEASES

Rentals on operating leases are charged in the income and expenditure account in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST AUGUST 1995

	1995	1994
	----	----

3. OPERATING SURPLUS/(DEFICIT)

This is stated after charging:

Depreciation of tangible fixed assets	4979	4156
Auditors' remuneration	3500	3000
Rentals under other operating leases	477	-
	=====	=====

4. TAXATION

The trust is registered as a charity and is not liable to corporation tax on any of its income.

5. TRUSTEES' EMOLUMENTS

None of the trustees received any emoluments during the year.

6. TANGIBLE FIXED ASSETS

Office &
Computer Equipment

COST

At 1st September 1994	23962
Additions	2186

At 31st August 1995	£26148
	=====

DEPRECIATION

At 1st September 1994	7626
Charge for year	4979

At 31st August 1995	£12605
	=====

NET BOOK VALUES

At 31st August 1995	£13543
	=====
At 31st August 1994	£16336
	=====

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31ST AUGUST 1995

	1995	1994
	----	----
7. DEBTORS		
Trade debtors	99995	52102
Other debtors	3737	11740
Prepayments	954	5060
	-----	-----
	£104686	£68902
	=====	=====

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade creditors	50088	19791
Other taxation and social security	9895	6099
Deferred income	149276	112634
Sundry creditors and accruals	14711	11227
	-----	-----
	£223970	£149751
	=====	=====

9. STATEMENT OF MOVEMENT ON RESERVES

	<u>Accumulated Fund -</u> <u>Income & Expenditure</u> <u>Account</u>
At 1st September 1994	36946
Surplus for the financial year	49372

At 31st August 1995	£86318
	=====

10. OPERATING LEASE COMMITMENTS

At 31st August 1995 the company was committed to making the following payments during the next year in respect of other operating leases.

Leases which expire:

In the second to fifth years	£5724
	=====