

SYNERGY DESIGN ASSOCIATES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 1998



AUDITORS' REPORT TO SYNERGY DESIGN ASSOCIATES LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements set out on pages 4 to 6 together with the financial statements of Synergy Design Associates Limited for the year ended 31st August 1998 prepared under section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We have carried out procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 4 to 6 are properly prepared in accordance with those provisions.

AUDITORS' REPORT TO SYNERGY DESIGN ASSOCIATES LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

Other Information

On 22 JUN 1999 we reported, as auditors of Synergy Design Associates Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st August 1998, and our audit report was as follows:

We have audited the financial statements on pages 3 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), under the historical cost convention and the accounting policies set out on page 5.

Respective Responsibilities of Directors and Auditors

As described on page 1 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 financial statements and 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 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. However, the evidence available to us was limited because the company was not subject to an audit for the year ended 31st August 1997 and no audit opinion was formed on the opening balances for the current year or on the comparative figures. Any adjustment to those figures would have a consequential significant effect on the profit for the year ended 31st August 1998.

In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

AUDITORS' REPORT TO SYNERGY DESIGN ASSOCIATES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

Qualified opinion arising from limitation in audit scope

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning the opening balance sheet, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st August 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In respect alone of the limitation on our work relating to the opening balances and comparative figures:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether proper accounting records had been maintained.



Spofforths
Chartered Accountants and Registered Auditors
41 Beach Road
Littlehampton
West Sussex
BN17 5JA

Date: 22 JUN 1999

(24/1264)

SYNERGY DESIGN ASSOCIATES LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31ST AUGUST 1998

	Notes	1998	1997
		£	£
Fixed Assets	2		
Tangible fixed assets		18,488	17,256
Current Assets			
Stock and work in progress		22,588	10,000
Debtors		71,562	123,669
Cash at bank and in hand		19,195	39,624
		<u>113,345</u>	<u>173,293</u>
Creditors: Amounts Falling Due Within One Year		<u>80,199</u>	<u>160,431</u>
Net Current Assets		<u>33,146</u>	<u>12,862</u>
Total Assets Less Current Liabilities		<u>51,634</u>	<u>30,118</u>
Capital and Reserves			
Share capital	3	30	2
Profit and loss account		<u>51,604</u>	<u>30,116</u>
Shareholders' Funds		<u>51,634</u>	<u>30,118</u>

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the board on 21/6/99 and signed on its behalf:

M. Savage

M L B Savage - Director

SYNERGY DESIGN ASSOCIATES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 1998

1 Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999) and under the historical cost convention.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by reducing balance method over their expected useful lives. The rates generally applicable are:

Plant and equipment	25% reducing balance
Motor vehicles	25% reducing balance

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred Taxation

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

Debit balances arising in respect of advanced corporation tax on dividends payable or proposed are carried forward to the extent that they are expected to be recoverable.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

SYNERGY DESIGN ASSOCIATES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 1998

2 Fixed Assets

	Tangible Fixed Assets
	£
Cost	
At 1st September 1997	32,865
Additions	7,254
At 31st August 1998	40,119
Depreciation	
At 1st September 1997	15,609
Charge for the year	6,022
At 31st August 1998	21,631
Net Book Value	
At 31st August 1998	18,488
<i>At 31st August 1997</i>	<i>17,256</i>

3 Share Capital

	1998 £	1997 £
Authorised		
1,000 Ordinary shares of £1.00 each	1,000	1,000
Allotted		
30 Allotted, called up and fully paid ordinary shares of £1.00 each	30	2

During the year there was a bonus issue of shares, 14 for each share held. The issue was at nominal value.