

THE SANDOM PARTNERSHIP LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 1994

Company Number 2781951



FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 1994

CONTENTS	Page:
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Key names and addresses	3
Directors' Report	4 - 5
Auditors' Report	6
Profit and Loss Account	7
Balance Sheet	8
Notes to the Financial Statements	9 - 12

FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 1994

KEY NAMES AND ADDRESSES

Directors

J R Sandom
H V Leeson
T A Lovett

Company Secretary

T A Lovett

Registered Office

Old Brewery
Russell Street
Windsor
SL4 1HQ

Bankers

Lloyds Bank plc
13 High Street
High Wycombe
Buckinghamshire
HP11 2BD

Barclays Bank plc
29 / 30 High Street,
Windsor
Berkshire
SL4 1PG

Auditors

Viccajee McCall
Registered Auditors
30 Reading Road South
Fleet
Hampshire
GU13 9QL

FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 1994

DIRECTORS' REPORT

The Directors present their report and financial statements for the year ended 31 December 1994.

Financial Reporting Standard No.3

Following the introduction of Financial Reporting Standard No.3, *Reporting Financial Performance*, the presentation of the financial statements has been amended to conform with the new requirements. Turnover and operating profit have been analysed, where appropriate, between continuing and discontinued operations, with results from additions during the year being shown separately under continuing operations.

Statement of Directors' responsibilities

Following the introduction of Statement of Auditing Standards 600, *Auditors' Reports on Financial Statements*, the following statement is required to be made by the Directors concerning their responsibilities:

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 and of the profit or loss of the company for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgments 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 that disclose with reasonable accuracy at any time the financial position of the company and which 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 also for taking reasonable steps to detect and prevent fraud and other irregularities.

Principal activities

The principal activity of the Company is that of design consultants.

Review of developments and dividends

The state of the Company's affairs, and details of its financing, are shown in detail on pages 7 and 8 of the financial statements.

The Directors do not recommend the payment of a dividend.

continued

FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 1994

DIRECTORS' REPORT *continued***Directors**

The Directors who held office during the period, and their interests in the shares of the Company at the beginning and end of the year, were as follows:

	<i>1 January 1994</i>	<i>31 December 1994</i>
	<i>£1 ordinary shares</i>	<i>£1 ordinary shares</i>
J R Sandom	5,300	5,300
H V Leeson	2,600	2,600
T A Lovett	2,100	2,100

Auditors

The firm Viccajee McCall, Registered Auditors, offer themselves for re-appointment, and a resolution to that effect will be proposed at the forthcoming annual general meeting.

BY THE ORDER OF THE BOARD



J R Sandom
Director

25 October 1995

Old Brewery
Russell Street
Windsor
SL4 1HQ

FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 1994

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
THE SANDOM PARTNERSHIP LIMITED**

We have audited the financial statements on pages 7 to 12 which have been prepared under the historical cost convention, and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 4, the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, of 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 judgments 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.

Audit opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 1994, and of its profit for the year then ended, and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Vicajee McCall

**Vicajee McCall
Registered Auditors**

30 Reading Road South
Fleet
Hampshire
GU13 9QL

25 October 1995

FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 1994

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1994

	Notes:	Year ended 31.12.94	21.01.93 to 31.12.93
			£
TURNOVER	1	1,151,563	485,358
COST OF SALES		(433,819)	(191,004)
		717,744	294,354
Administration costs (continuing operations)		(460,331)	(229,666)
Interest payable		(3,554)	(4,477)
Interest receivable		73	400
PROFIT BEFORE TAXATION	2	253,932	60,611
TAXATION	3	(66,802)	(16,645)
Dividends		-	-
RETAINED PROFIT FOR THE YEAR	4	£187,130	£43,966

The notes on pages 9 to 12 form part of these financial statements.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

There is no income or expenditure arising from discontinued operations. The distinction between continuing and discontinued operations has been made in accordance with *Financial Reporting Standard 3*.

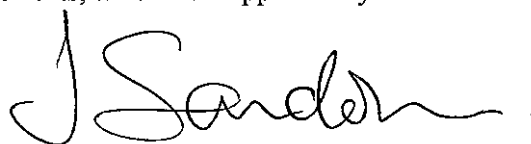
The Company has no recognised gains or losses as defined by *Financial Reporting Standard 3* other than those reported through the profit and loss account.

FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 1994

BALANCE SHEET AS AT 31 DECEMBER 1994

	Notes:	<u>31.12.94</u>	<u>31.12.93</u>
		£	£
FIXED ASSETS			
Tangible fixed assets	7	67,063	47,513
CURRENT ASSETS			
Trade debtors		277,647	165,472
Other debtors and prepayments		95,553	8,558
Cash at hand and in bank		141,428	22,478
		<u>514,628</u>	<u>196,508</u>
CREDITORS DUE WITHIN 1 YEAR			
Trade creditors		86,348	55,751
Other creditors inc. tax & soc. security	5	152,978	88,637
Accruals		79,710	25,836
Lease purchase agreements	6	10,922	7,184
		<u>329,958</u>	<u>177,408</u>
NET CURRENT ASSETS		<u>184,670</u>	<u>19,100</u>
		251,733	66,613
CREDITORS DUE OVER ONE YEAR			
Lease purchase agreements	6	(10,636)	(12,646)
		<u>£241,097</u>	<u>£53,967</u>
SHARE CAPITAL AND RESERVES			
Called up share capital	8	10,000	10,000
Revenue reserves	4	231,097	43,967
	9	<u>£241,097</u>	<u>£53,967</u>

The notes on pages 9 to 12 form part of these financial statements, which were approved by the Board of Directors on 25 October 1995.



J R Sandom
Director

FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 1994

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with material areas of the financial statements:

(a) Basis of accounting

The financial statements have been drawn up on a going concern basis.

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

(b) Turnover

Turnover is recognised at the time when invoices are raised and has been stated net of value added tax.

(c) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation provided to date.

Depreciation is provided by either the reducing balance method or the straight line method so as to write off the cost of each item over its useful life to the business. Details of rates used are given in note 6 to the financial statements.

(d) Finance Leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts have been capitalised in accordance with *Statement of Standard Accounting Practice 21* and depreciated (in the case of finance leases only) over the shorter of the lease term and their expected useful life. The total amount due under finance leases and hire purchase contracts, net of future interest not yet due, is shown as a liability. Finance charges on these contracts have been charged to profit and loss so as to make, as far as possible, a constant periodic rate of charge on the reducing amount of principal year by year.

2. PROFIT BEFORE TAXATION

The profit for the financial period is arrived at after charging the following:

	31.12.94	31.12.93
	£	£
Directors remuneration (total)	221,394	82,000
- including pension contributions of:	60,000	40,000
Depreciation on tangible fixed assets	17,080	16,230
Auditors' remuneration	1,950	1,850
Finance lease charges	2,135	1,066

continued

FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 1994

NOTES TO THE FINANCIAL STATEMENTS *continued***3. TAXATION**

The taxation charge represents a provision of 25% UK corporation tax on UK profits for the year (1993 25%).

4. STATEMENT OF MOVEMENT ON RESERVES

	31.12.94	31.12.93
	£	£
1 January 1994	43,967	0
Profit for the year	187,130	43,967
31 December 1993	<u>£231,097</u>	<u>£43,967</u>

5. OTHER CREDITORS INCLUDING TAXATION & SOCIAL SECURITY COSTS

This amount includes £102,875 (1993 £56,689) due to the taxation and social security authorities.

6. FINANCE LEASE & HIRE PURCHASE CONTRACTS

Amounts due under finance lease and hire purchase contracts comprise the following:

	31.12.94	31.12.94	31.12.93	31.12.93
	Within 1 year	Between 2 & 5 years	Within 1 year	Between 2 & 5 years
	£	£	£	£
Total amount due	13,089	11,696	9,245	14,212
Less: future interest	(2,167)	(1,060)	(2,061)	(1,566)
	<u>£10,922</u>	<u>£10,636</u>	<u>£7,184</u>	<u>£12,646</u>

continued

FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 1994

NOTES TO THE FINANCIAL STATEMENTS *continued*

7. TANGIBLE FIXED ASSETS

Depreciation rates: equipment, fixtures and fittings 25% reducing balance; motor vehicles 25% reducing balance; leasehold improvements 50% straight line. Tangible fixed assets are stated at cost.

	<i>Leasehold improvements</i>	<i>Equipment, fixtures & fittings</i>	<i>Motor vehicles (finance lease)</i>	<i>Total</i>
	£	£	£	£
COST:				
1 January 1994	3,528	29,555	30,660	63,743
Additions	-	6,885	29,745	36,630
Disposals	-	-	-	-
31 December 1994	<u>3,528</u>	<u>36,440</u>	<u>60,405</u>	<u>100,373</u>
DEPRECIATION:				
1 January 1994	1,176	7,389	7,665	16,230
Charge for the year	2,352	6,153	8,575	17,080
Disposals	-	-	-	-
31 December 1994	<u>3,528</u>	<u>13,542</u>	<u>16,240</u>	<u>33,310</u>
NET BOOK VALUE:				
31 December 1994	<u>£0</u>	<u>£22,898</u>	<u>£44,165</u>	<u>£67,063</u>
31 December 1993	<u>£2,352</u>	<u>£22,166</u>	<u>£22,995</u>	<u>£47,513</u>

8. SHARE CAPITAL

	<u>31.12.94</u>	<u>31.12.93</u>
	<i>£1 ordinary shares</i>	<i>£1 ordinary shares</i>
Authorised	<u>10,000</u>	<u>10,000</u>
Issued and fully paid	<u>10,000</u>	<u>10,000</u>

continued

FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 1994

NOTES TO THE FINANCIAL STATEMENTS *continued*

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.94	31.12.93
	£	£
Profit for the financial year	187,130	43,967
Opening shareholders' funds, 1 January 1994	53,967	3
New shares issued	0	9,997
Closing shareholders' funds, 31 December 1994	<u>£241,097</u>	<u>£53,967</u>

10. CASH FLOW STATEMENT

Under the provisions of *Financial Reporting Standard 1* the Company is exempted from preparing a cash flow statement.

11. SECURED ASSETS

On 28 June 1994 the Company's property and assets, present and future, became subject to a fixed and floating charge in respect of secondary security granted to Lloyds Bank plc regarding the Directors' pension fund borrowings. This charge was released by Lloyds Bank plc on 5 September 1995.

12. OPERATING LEASE COMMITMENTS

At the balance sheet date the Company is committed to paying £36,000 p.a. regarding a lease of its business premises. The lease expires on 24 June 2004 and provides for annual rent reviews.

13. POST BALANCE SHEET EVENTS

On 1 September 1995 The Sandom Partnership Limited changed its name to L.L.S. Holdings Limited, and a new company was formed, named The Sandom Partnership Limited, as a wholly owned subsidiary of L.L.S. Holdings Limited.

On that date, the trade of The Sandom Partnership Limited (now L.L.S. Holdings Limited) was transferred to the new subsidiary.