

ARCHWORTH LIMITED

COMPANY No. 2850263

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ACCOUNTS FOR THE  
YEAR ENDED 30TH SEPTEMBER 1998

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HAWDON BELL & CO  
CHARTERED ACCOUNTANTS  
4, NORTHUMBERLAND PLACE  
NORTH SHIELDS  
TYNE & WEAR



ARCHWORTH LIMITED

ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1998

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The following page does not form part of the Statutory Accounts

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ARCHWORTH LIMITEDREPORT OF THE DIRECTOR FOR THE YEAR ENDED 30TH SEPTEMBER 1998

The director presents his report and the accounts for the year ended 30th September 1998.

Principal Activities

The principal activity of the company is unchanged from last year and is that of property investment.


Director

The director who served during the year and his beneficial interests in the company's issued ordinary share capital was as follows:-

	<u>Ordinary Shares of £1 each</u>	
	<u>1998</u>	<u>1997</u>
R.C. Tindall	10,000	10,000

This report was approved by the director on 25th March 1999, and has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

R.C. Tindall  
Director

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ARCHWORTH LIMITEDACCOUNTANT'S REPORT TO THE DIRECTORS  
ON THE UNAUDITED ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1998

We report on the accounts for the year ended 30th September 1998 set out on pages 3 to 7.

Responsibilities of directors

As described on page 4 the company's directors are responsible for the preparation of the accounts and they consider that the company is exempt from an audit.

Basis of opinion

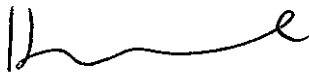
Without performing an audit or detailed verification work our procedures consisted of comparing the accounts with the accounting records kept by the company and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurances expressed in our opinion.

Opinion

In our opinion:

- a) the accounts are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985.
- b) having regard only to, and on the basis of, the information contained in those accounting records:
  - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in Section 249(c) of the Act, and
  - ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in Section 249A(4) of the Act and did not, at any time within that year fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1).

Hawdon Bell & Co.  
4, Northumberland Place  
North Shields  
Tyne & Wear  
NE30 1QP

  
Chartered Accountants  
25th March 1999

ARCHWORTH LIMITEDPROFIT AND LOSS ACCOUNT - YEAR ENDED 30TH SEPTEMBER 1998

	<u>Notes</u>	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
TURNOVER	1(c)	7,101	7,200
PROPERTY EXPENSES		1,979	3,703
GROSS PROFIT		5,122	3,497
OTHER INCOME	2	732	428
NET OPERATING EXPENSES		5,854 805	3,925 789
OPERATING PROFIT	3	5,049	3,136
TAXATION	4	962	658
PROFIT FOR THE FINANCIAL YEAR		4,087	2,478

There were no recognised gains or losses other than those recognised in the profit and loss account.

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

The profit on ordinary activities before taxation and the retained profit have been calculated on the historical cost basis.

The notes on pages 5 to 7 form part of these accounts.

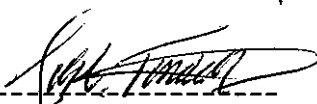
ARCHWORTH LIMITEDBALANCE SHEET AS AT 30TH SEPTEMBER 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
		<u>£</u>	<u>£</u>
<b>FIXED ASSETS</b>			
Tangible Assets	5	52,529	52,885
<b>CURRENT ASSETS</b>			
Debtors	6	393	679
Investments	7	7,000	7,000
Cash at Bank and in Hand		17,152	13,146
		<u>24,545</u>	<u>20,825</u>
<b>CREDITORS - AMOUNTS DUE WITHIN ONE YEAR</b>	8	3,278	4,001
<b>NET CURRENT ASSETS</b>		<u>21,267</u>	<u>16,824</u>
		<u>73,796</u>	<u>69,709</u>
<b>CAPITAL AND RESERVES</b>			
Share Capital	9	62,000	62,000
Profit and Loss Account		11,796	7,709
Shareholders Funds	10	<u>73,796</u>	<u>69,709</u>

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the company's share capital have not issued a notice under Section 249B(2) requiring an audit. The director acknowledges his responsibility for maintaining proper accounting records which comply with Section 221 and for preparing accounts which, in accordance with the requirements of Section 226 give a true and fair view of the state of affairs of the company at 30th September 1998 and of its profit for the year then ended and which otherwise comply with the Companies Act 1985, so far as applicable to the company. The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the director on 25th March 1999.

R.C. Tindall  
Director

  
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The notes on pages 5 to 7 form part of these accounts.

ARCHWORTH LIMITEDNOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30TH SEPTEMBER 19981. PRINCIPAL ACCOUNTING POLICIESa) Basis of Preparation of Accounts

The accounts are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the director's report and which is continuing.

b) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is calculated to write off the cost of fixed assets over the expected useful lives of the assets concerned.

The principal annual rates used for this purpose, which are consistent with those of the previous year, are :-

	%	
Freehold Property	Nil	
Fixtures & Fittings	15	on a straight line basis

It is not the company's policy to depreciate its freehold investment property. The company's practice is to maintain its property in a continual state of sound repair, accordingly its life is so long and its residual value so high that its depreciation is insignificant.

c) Turnover

Turnover represents rental income received during the year.

d) Cashflow Statement

The company has taken advantage of the exemption given to small companies in Financial Reporting Statement No 1 from producing a cashflow statement.

2. OTHER INCOME

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Bank Interest Received	732	428

3. OPERATING PROFIT

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
The operating profit is stated after charging:-		
Depreciation of Tangible Fixed Assets	356	356

ARCHWORTH LIMITEDNOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30TH SEPTEMBER 19984. TAXATION

The taxation charge is made up as follows:-

	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
U.K. Corporation Tax at 21% on the ordinary trading activities	990	656
Interest on overdue taxation	-	2
Overprovision in previous year	(28)	-
	<u>962</u>	<u>658</u>

5. TANGIBLE FIXED ASSETS

	<u>Fixtures &amp; Fittings</u> <u>£</u>	<u>Freehold Property</u> <u>£</u>	<u>Total</u> <u>£</u>
<u>COST</u>			
At 1st October 1997 and 30th September 1998	2,375	51,662	54,037
<u>DEPRECIATION</u>			
At 1st October 1997	1,152	-	1,152
Charge for period	356	-	356
At 30th September 1998	1,508	-	1,508
<u>NET BOOK VALUE</u>			
At 30th September 1998	867	51,662	52,529
At 30th September 1997	1,223	51,662	52,885

6. DEBTORS

	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
Amounts due within one year :-		
Prepayments	393	679

7. FIXED ASSET INVESTMENTS

	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
Investment in unlisted company	7,000	7,000



ARCHWORTH LIMITEDNOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30TH SEPTEMBER 19988. CREDITORS

	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
Amounts due within one year :-		
Bank Current Account	-	475
Other Creditors	100	100
Taxation	990	656
Accruals	2,188	2,770
	<u>3,278</u>	<u>4,001</u>

9. SHARE CAPITAL

	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
Authorised:-		
100,000 Ordinary Shares of £1 each	100,000	100,000
Allotted, Issued and Fully Paid:-		
62,000 Ordinary Shares of £1 each	62,000	62,000

10. SHAREHOLDERS' FUNDS

	<u>Profit &amp; Loss</u> <u>£</u>	<u>Share Capital</u> <u>£</u>	<u>Total</u> <u>£</u>
Profit for the year after taxation	4,087	-	4,087
Shareholders' funds at 1st October 1997	7,709	62,000	69,709
Shareholders' funds at 30th September 1998	<u>11,796</u>	<u>62,000</u>	<u>73,796</u>

11. TRANSACTIONS WITH DIRECTORS

The director was not involved in any material transaction undertaken by the company during the financial year.

12. CAPITAL EXPENDITURE

The directors at 30th September 1998 had not authorised any future capital expenditure. (1997: £ NIL)