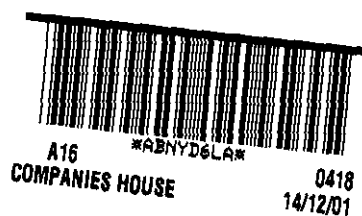


Registered number
2900802

The Saffron Partnership Limited

Report and Accounts

28 February 2001



Rothman Pantall & Co
Chartered Accountants
Sutton, Surrey

The Saffron Partnership Limited
Report and Accounts
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The Saffron Partnership Limited
Company Information

Directors

A J Champion
L R Dunmow

Secretary

L R Dunmow

Reporting accountants

Rothman Pantall & Co
Bank House
1/7 Sutton Court Road
Sutton
Surrey
SM1 4SP

Registered office

Bank House
1/7 Sutton Court Road
Sutton
Surrey
SM1 4SP

Registered number

2900802

The Saffron Partnership Limited

Directors' Report

The directors present their report and accounts for the year ended 28 February 2001.

Principal activities

The company's principal activity during the year continued to be advertising and design project management.

Directors

The directors who served during the year and their interests in the share capital of the company were as follows:

	<u>£1 Ordinary shares</u>	
	<u>2001</u>	<u>2000</u>
A J Champion	50	50
L R Dunmow	50	50

Directors' responsibilities

Company law requires the directors to prepare accounts 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 for that period. In preparing those accounts, the directors are required to:

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

The directors are responsible for maintaining 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 accounts 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.

Results

The company's results are set out in the profit and loss account on page 6. The directors report a pre-tax loss of £-25221 for the year.

The Saffron Partnership Limited
Directors' Report

Small company special provisions

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on

11/12/01

A handwritten signature in black ink, appearing to read 'L. Dunmow', written over a vertical line.

L Dunmow
Director

The Saffron Partnership Limited
Balance Sheet
as at 28 February 2001

	Notes	2001	2000
		£	£
Fixed assets			
Tangible assets	4	27,164	38,583
Current assets			
Stocks		-	1,473
Debtors	5	43,277	66,789
Bank and cash in hand		-	117
		<u>43,277</u>	<u>68,379</u>
Creditors: amounts falling due within one year	6	(73,060)	(85,304)
Net current liabilities		<u>(29,783)</u>	<u>(16,925)</u>
Total assets less current liabilities		<u>(2,619)</u>	<u>21,658</u>
Creditors: amounts falling due after more than one year	7	(2,736)	(3,435)
Net (liabilities)/assets		<u><u>(5,355)</u></u>	<u><u>18,223</u></u>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account	9	(5,455)	18,123
Shareholders' funds		<u><u>(5,355)</u></u>	<u><u>18,223</u></u>

The directors are satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

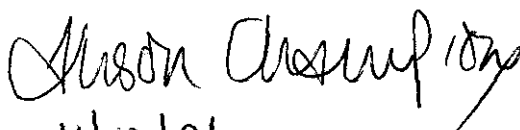
The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this act relating to accounts, so far as applicable to the company.

The Saffron Partnership Limited
Balance Sheet
as at 28 February 2001

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

A Champion
Director
Approved by the board on


11/12/01

The Saffron Partnership Limited
Profit and Loss Account
for the year ended 28 February 2001

	Notes	2001 £	2000 £
Turnover		228,509	278,888
Cost of sales		(82,889)	(99,733)
Gross profit		<u>145,620</u>	<u>179,155</u>
Administrative expenses		(165,414)	(175,741)
Operating (loss)/profit	2	<u>(19,794)</u>	<u>3,414</u>
Exceptional items:			
loss on the disposal of tangible fixed assets		(1,523)	(118)
		<u>(21,317)</u>	<u>3,296</u>
Interest receivable		28	231
Interest payable		(3,932)	(1,678)
(Loss)/profit on ordinary activities before taxation		<u>(25,221)</u>	<u>1,849</u>
Tax on (loss)/profit on ordinary activities	3	1,640	(1,640)
(Loss)/profit for the financial year		<u>(23,581)</u>	<u>209</u>
Retained (loss)/profit for the financial year	9	<u><u>(23,581)</u></u>	<u><u>209</u></u>

The Saffron Partnership Limited
Notes to the Accounts
for the year ended 28 February 2001

1 Accounting policies

Accounting Convention

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

Depreciation

Depreciation is charged on a straight line basis at the following rates, which are expected to reduce the assets to their net realisable value over their estimated useful lives.

Fixtures and Fittings	20% per annum
Office Equipment	20% per annum
Motor Vehicles	20% per annum

Stocks

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

Deferred Taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes, except to the extent that a liability to taxation is unlikely to crystallise.

Leasing and Hire Purchase Commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their 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 income on a straight line basis over the lease term.

2 Operating profit

This is stated after charging:

	2001	2000
	£	£
Depreciation of owned fixed assets	2,968	11,321
Depreciation of assets held under finance leases and hire purchase contracts	5,977	4,586
Directors' emoluments	76,400	65,013
	<u>76,400</u>	<u>65,013</u>

The Saffron Partnership Limited
Notes to the Accounts
for the year ended 28 February 2001

3 Taxation

	2001	2000
	£	£
Current corporation tax based on current profit	(1,682)	1,640
Over/Under provision in previous year	42	-
	<u>(1,640)</u>	<u>1,640</u>

4 Tangible fixed assets

	Fixtures and fittings	Office equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 March 2000	22,027	34,243	37,090	93,360
Additions	-	3,116	-	3,116
Disposals	-	-	(17,539)	(17,539)
At 28 February 2001	<u>22,027</u>	<u>37,359</u>	<u>19,551</u>	<u>78,937</u>
Depreciation				
At 1 March 2000	21,885	25,290	8,253	55,428
Charge for the year	140	2,829	-	2,969
On disposals	-	-	(6,624)	(6,624)
At 28 February 2001	<u>22,025</u>	<u>28,119</u>	<u>1,629</u>	<u>51,773</u>
Net book value				
At 28 February 2001	<u>2</u>	<u>9,240</u>	<u>17,922</u>	<u>27,164</u>
At 29 February 2000	<u>142</u>	<u>8,953</u>	<u>28,837</u>	<u>37,932</u>

	2001	2000
	£	£
Net book value of assets included above held under finance leases and hire purchase contracts	<u>17,921</u>	<u>34,036</u>

5 Debtors

	2001	2000
	£	£
Trade debtors	37,019	66,571
Corporation tax recoverable	1,682	-
Prepayments	4,576	218
	<u>43,277</u>	<u>66,789</u>

The Saffron Partnership Limited
Notes to the Accounts
for the year ended 28 February 2001

6 Creditors: amounts falling due within one year	2001	2000
	£	£
Bank loans and overdrafts	17,027	20,013
Obligations under finance lease and hire purchase contracts	7,936	7,515
Trade creditors	29,137	34,038
Corporation tax	-	1,640
Other taxes and social security costs	8,229	10,303
Accruals	7,231	8,295
Directors loan account	3,500	3,500
	<u>73,060</u>	<u>85,304</u>

7 Creditors: amounts falling due after one year	2001	2000
	£	£
Obligations under finance lease and hire purchase contracts	<u>2,736</u>	<u>3,435</u>

8 Share capital	2001	2000
	£	£
Authorised: Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
	2001	2000
	£	£
Allotted, called up and fully paid: Ordinary shares of £1 each	<u>100</u>	<u>100</u>

9 Profit and loss account	2001	2000
	£	£
At 1 March 2000	18,126	17,914
Retained (loss)/profit	(23,581)	209
At 28 February 2001	<u>(5,455)</u>	<u>18,123</u>

10 Contingent liabilities

There were no contingent liabilities as at 28 February 2001 (2000 - nil).

The Saffron Partnership Limited
Notes to the Accounts
for the year ended 28 February 2001

11 Deferred taxation

There is no potential liability for taxation for the year ended 28 February 2001 (2000 - nil).

12 Going concern

The directors are of the opinion that the financial statements be prepared on a going concern basis which is based on the continued support of the company's directors and the bank.

Should the company be unable to continue trading, adjustments would have to be made to reduce the assets to their recoverable amount, to provide for any further liabilities and to reclassify fixed assets and long term liabilities as current assets and current liabilities respectively.