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A & A MARKETING (SOUTH WEST) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 APRIL 1996

COMPANY NUMBER: 2915450

JEREMY WINDOWS FCA
Chartered Accountant
5 Bealey Road
Bristol BS3 1PX



DIRECTORS' REPORT**FOR THE YEAR ENDED 30 APRIL 1996**

The directors present their report and the accounts for the year ended 30 April 1996

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company's principal activity continues to be that of providing marketing services.

The results for the year are set out on page 3.

The directors consider the profit achieved on ordinary activities before taxation to be particularly satisfactory given the difficult trading conditions.

Adequate finance has been obtained to take advantage of business opportunities, and the directors consider the state of affairs to be satisfactory.

DIRECTORS

The directors at 30 April 1996 and their interests in the share capital of the company were as follows:-

	At 30 April	
	1996	1995
A G Milton	1	1
Mrs J M Pike	1	1

This report was approved by the board on 3/02/97 and signed on its behalf.


A G Milton

.....
SECRETARY

**ACCOUNTANTS REPORT TO THE SHAREHOLDERS OF
A & A MARKETING (SOUTH WEST) LIMITED**

I report on the accounts for the year ended 30 April 1996 set out on pages 3 to 10.

Respective responsibilities of directors and reporting accountant

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. It is my responsibility to carry out procedures designed to enable me to report my opinion.

Basis of opinion

My work was conducted in accordance with the statement of Standards for Reporting Accountants, and so my 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 I considered necessary for the purposes of this report. These procedures provide only the assurance expressed in my opinion.

Opinion

In my 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 249C(6) 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).


JEREMY WINDOWS FCA

Reporting Accountant

5 Beaulay Road
Bristol BS3 1PX

3/02/97
Date

PROFIT AND LOSS ACCOUNT**FOR THE YEAR ENDED 30 APRIL 1996**

	Notes	1996 £	1995 £
TURNOVER	2	246,210	73,861
Cost of sales		134,852	54,620
GROSS PROFIT		111,358	19,241
Administration expenses		54,028	19,429
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE INTEREST	3	57,330	(188)
Interest receivable		0	8
Interest payable	4	629	0
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		56,701	(180)
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	5	13,438	0
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		43,263	(180)
Dividends on equity shares	6	26,000	0
RETAINED LOSS FOR THE YEAR		17,263	(180)
RETAINED LOSS BROUGHT FORWARD		(180)	0
RETAINED PROFIT CARRIED FORWARD		17,083	(180)

There were no recognised gains or losses in 1995 or 1996 other than those included in the profit and loss account.

The notes on pages 5 to 10 form part of these financial statements.

BALANCE SHEET AS AT 30 APRIL 1996

	Notes	1996 £	1995 £
FIXED ASSETS			
Tangible assets	7	53,598	0
CURRENT ASSETS			
Debtors	8	32,395	7,126
Cash at bank and in hand		10,001	13,889
		42,396	21,015
CREDITORS:			
amounts falling due within one year	9	60,334	21,193
NET CURRENT (LIABILITIES)		(17,938)	(178)
TOTAL ASSETS LESS CURRENT LIABILITIES		35,660	(178)
CREDITORS: amounts falling due after more than one year	10	18,575	0
NET ASSETS		17,085	(178)
CAPITAL AND RESERVES			
Called up share capital	12	2	2
Profit and loss account		17,083	(180)
SHAREHOLDERS' FUNDS - ALL EQUITY	13	17,085	(178)

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(2) of the Companies Act 1985. Shareholders holding 10% or more of the nominal value of the company's issued share capital have not issued a notice requiring an audit under Section 249B. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 30 April 1996 and of its Profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The directors have taken advantage, in the preparation of these accounts, of special exemptions applicable to small companies under Schedule 8 Part 1 of the Companies Act 1985 on the grounds that, in the opinion of the directors, the company qualifies as a small company and is entitled to make use of the special exemptions.

The accounts were approved by the board on 03/02/97 and signed on their behalf.



A G Milton

Director

The notes on pages 5 to 10 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1996

1 ACCOUNTING POLICIES**1.1 Basis of preparation of accounts**

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

1.2 Cashflow

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:-

Motor Vehicles	25% reducing balance basis
Office Equipment	20% reducing balance basis

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1996

1 ACCOUNTING POLICIES (Continued)

1.6 Deferred taxation

Provision is made for taxation deferred as a result of material differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.7 Pensions

The pension charge represents amounts payable by the company to the fund in respect of the year.

2 TURNOVER

Turnover comprises the invoiced value of goods and services supplied by the company in the United Kingdom, net of Value Added Tax and trade discounts.

The whole of the turnover is attributable to the one principal activity which is providing marketing services.

3 OPERATING PROFIT

The operating profit is stated after charging:-

	1996 £	1995 £
Depreciation of tangible fixed assets		
- owned by the company	839	0
- held under finance leases	3,368	0
Directors' emoluments	17,415	18,414
Pension costs	2,026	506

4 INTEREST PAYABLE

	1996 £	1995 £
Hire purchase interest	629	0

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1996

5 TAXATION

	1996 £	1995 £
UK Current year taxation		
UK Corporation tax	13,438	0

6 DIVIDENDS

	1996 £	1995 £
Dividend of £13,000 per ordinary share	26,000	0

7 TANGIBLE FIXED ASSETS

	Plant, machinery and vehicles £
Cost	
Addition	57,805
At 30 April 1996	57,805
Depreciation	
Charge for year	4,207
At 30 April 1996	4,207
Net book values	
At 30 April 1996	53,598
At 30 April 1995	0

Included above are plant and machinery held under finance leases or hire purchase contracts amounting to £50,532 (1995 - £Nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1996

8 DEBTORS

	1996 £	1995 £
Due within one year		
Trade debtors	25,893	7,124
Other debtors	6,502	2
	<hr/>	<hr/>
	32,395	7,126
	<hr/>	<hr/>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1996 £	1995 £
Net obligations under finance lease and hire purchase contracts (secured)	17,966	0
Trade creditors	1,000	800
Corporation tax	13,438	0
Social security and other taxes	21,307	7,627
Other creditors	714	714
Directors current accounts	5,909	12,052
	<hr/>	<hr/>
	60,334	21,193
	<hr/>	<hr/>

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1996 £	1995 £
Net obligations under finance lease and hire purchase contracts (secured)	18,575	0
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1996

11 OBLIGATIONS UNDER FINANCE LEASES AND
HIRE PURCHASE CONTRACTS

The maturity of these accounts is as follows:-

	1996 £	1995 £
Amounts payable:-		
Within one year	8,524	0
Within two to five years	39,622	0
	<hr/> 48,146	<hr/> 0
Less: Finance charges allocated to future periods	11,605	0
	<hr/> 36,541	<hr/> 0

Finance Leases and Hire Purchase Contracts
are analysed as follows:-

Current obligation	17,966	0
Non-Current obligation	18,575	0
	<hr/> 36,541	<hr/> 0

12 CALLED UP SHARE CAPITAL

	1996 £	1995 £
Authorised Ordinary shares of £1 each	1,000	1,000
Issued Ordinary shares of £1 each	2	2

13 MOVEMENT ON SHAREHOLDERS' FUNDS

	1996 £	1995 £
Profit/(loss) for the year	43,263	(180)
Less: Dividends	26,000	0
	<hr/> 17,263	<hr/> (180)
Shares issued	0	2
Opening shareholders' funds	(178)	0
	<hr/> 17,085	<hr/> (178)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 1996

14 CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date.

15 CAPITAL COMMITMENTS

There were no capital or other commitments at the balance sheet date.