

**ALCHEMY PARTNERS LIMITED**  
**DIRECTORS' REPORT AND ACCOUNTS**  
**PERIOD FROM 1st April 1998 TO 30th April 1999**

**Company Number: 3274858**



## **ALCHEMY PARTNERS LIMITED**

Directors: E Cater (resigned 12th October 1998)  
J Pickering  
S Woodman (appointed 8th June 1998)  
J Bostock (appointed 8th June 1998)

### **DIRECTORS' REPORT**

The directors submit their report and the accounts for the thirteen month period ended 30th April 1999. (Comparatives shown are for the period 7th November 1996 to 31st March 1998.)

Company law requires the directors to prepare accounts that give a true and fair view of the state of affairs of the company and of the profit or loss for its financial period. In doing so the directors are required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- 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 that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with 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.

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company is that of a service company. The directors are satisfied with the company's results for the period.

### **YEAR 2000**

The year 2000 potential problem relates to the inability of many computers and electronic devices to deal with the year 2000 date change.

The directors have assessed the impact of this issue on the company's own equipment and where necessary have instigated a programme of work to ensure that this equipment is year 2000 compliant. Whilst it is not possible to fully quantify the cost of this programme at this stage it is not anticipated that this will have a material impact on the company's accounts.

### **RESULTS AND DIVIDENDS**

The profit for the period after taxation amounted to £28,882 (1998 : £1,998)

The directors do not recommend the payment of a dividend and therefore the balance on the profit and loss account has been carried forward.

## **ALCHEMY PARTNERS LIMITED**

### **DIRECTORS' REPORT (continued)**

#### **DIRECTORS AND INTERESTS IN SHARES**

The names of the present directors are given at the head of this report.

E Cater held 1 share at 1st April 1998. During the period this share was transferred to S Woodman. S Woodman held this share at 30th April 1999. This share was held in the capacity of nominee on behalf of the Alchemy Partnership.

#### **ACCOUNTS**

Advantage has been taken in preparing the above report of special provisions of Part VII of the Companies Act 1985 relating to small companies.

#### **AUDITORS**

On 1 March 1999 the auditors, Moores Rowland merged their practice with that of BDO Stoy Hayward and are now practising under that name.

A resolution will be proposed at the annual general meeting to re-appoint BDO Stoy Hayward as auditors to the company for the ensuing year.

By order of the board



Secretary      Susan Woodman

Registered office:

20 Bedfordbury  
London  
WC2N 4BL

**AUDITORS' REPORT TO THE MEMBERS OF  
ALCHEMY PARTNERS LIMITED**

We have audited the accounts on pages 4 to 9.

**Respective responsibilities of directors and auditors**

As described in the directors' report the company's directors are responsible for the preparation of accounts. It is our responsibility as auditors to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 that we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30th April 1999 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*BDO Stoy Hayward*

BDO Stoy Hayward

Chartered Accountants  
Registered Auditors

7 St Botolph's Road  
Sevenoaks  
Kent  
TN13 3AJ

*4<sup>th</sup> August 1999*

**ALCHEMY PARTNERS LIMITED****PROFIT AND LOSS ACCOUNT**

Period ended 30th April 1999

(Comparatives are for the period: 7 November 1996 to 31 March 1998)

	Note	13 months ended 30 April 1999 £	17 months ended 31 March 1998 £
<b>TURNOVER</b>		1,239,050	466,150
Administrative expenses		1,208,810	455,187
<b>OPERATING PROFIT</b>		30,240	10,963
Investment income	2	1,468	1,634
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	31,708	12,597
Tax on profit on ordinary activities	5	2,826	10,600
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		28,882	1,997
Retained profit brought forward		1,997	—
<b>RETAINED PROFIT CARRIED FORWARD</b>		30,879	1,997

All disclosures relate only to continuing operations.

There are no recognised gains or losses other than the profit or loss for the period.

Pages 6 to 9 form part of these accounts.

**ALCHEMY PARTNERS LIMITED****BALANCE SHEET**

As at 30th April 1999

	Note	30 April 1999 £	31 March 1998 £
<b>FIXED ASSETS</b>			
Tangible assets	6	139,996	42,512
<b>CURRENT ASSETS</b>			
Debtors	7	245,614	16,107
Cash at bank and in hand		89	38,229
		245,703	54,336
<b>CREDITORS</b> – amounts falling due within one year	8	354,818	94,849
<b>NET CURRENT LIABILITIES</b>		(109,115)	(40,513)
<b>TOTAL NET ASSETS</b>		30,881	1,999
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	2	2
Profit and loss account		30,879	1,997
<b>EQUITY SHAREHOLDERS' FUNDS</b>	10	30,881	1,999

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

Approved by the board on 29<sup>th</sup> July 1999  
and signed on their behalf by:

J Bostock

 – Director

Pages 6 to 9 form part of these accounts.

## **ALCHEMY PARTNERS LIMITED**

### **NOTES TO THE ACCOUNTS**

#### **1. ACCOUNTING POLICIES**

##### **Accounting convention**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

##### **Turnover**

Turnover represents the amounts receivable for services provided, excluding value added tax.

##### **Depreciation of tangible fixed assets**

Depreciation is provided on all tangible fixed assets so as to write them off over their anticipated useful lives at the following annual rates on a straight line basis:

Fixtures and fittings	– 25%
Partitioning	– over the period of the lease
Computer equipment	– 50%

##### **Deferred taxation**

Deferred taxation is calculated using the liability method and provision is made to the extent that it is probable that such tax will become payable in the foreseeable future.

##### **Pension contributions**

Pension contributions are charged to the profit and loss account in the period in which they are paid.

##### **Comparatives**

Comparatives shown are for the period 7th November 1996 to 31st March 1998.

#### **2. INVESTMENT INCOME**

	1999 £	1998 £
Bank interest receivable	<u>1,468</u>	<u>1,634</u>

**ALCHEMY PARTNERS LIMITED****NOTES TO THE ACCOUNTS(continued)****3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

Profit on ordinary activities before  
taxation is stated after charging

	1999 £	1998 £
Auditors' remuneration	3,200	3,000
Depreciation of fixed assets	51,274	42,163
	<u>54,474</u>	<u>45,163</u>

**4. DIRECTORS AND OTHER EMPLOYEES**

Staff costs include the following:

	1999 £	1998 £
Wages and salaries	542,682	166,829
Social security costs	55,522	16,447
Other pension costs	24,658	—
	<u>622,862</u>	<u>183,276</u>

The average number of administration staff employed by the company during the period was 11.

The remuneration of the directors were as follows:

Directors emoluments

Fees	—	—
In respect of management services	242,497	33,230
Pension costs	21,900	—
	<u>264,397</u>	<u>33,230</u>

1 director had contributions paid into a personal pension plan during the year.

**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	1999 £	1998 £
Based on the profit for the period:		
Corporation tax at 21%	4,000	10,600
Over-provision in prior year	(1,174)	—
	<u>2,826</u>	<u>10,600</u>



**ALCHEMY PARTNERS LIMITED**

**NOTES TO THE ACCOUNTS(continued)**

**6. TANGIBLE FIXED ASSETS**

	Fixtures, fittings & partitions £	Computer equipment £	Total £
Cost:			
At 1st April 1998	54,762	29,913	84,675
Additions	108,744	40,014	148,758
Disposals	(18,635)	–	(18,635)
	<hr/>	<hr/>	<hr/>
At 30th April 1999	144,871	69,927	214,798
	<hr/>	<hr/>	<hr/>
Depreciation:			
At 1st April 1998	27,615	14,548	42,163
Charge for period	26,998	24,276	51,274
Disposals	(18,635)	–	(18,635)
	<hr/>	<hr/>	<hr/>
At 30th April 1999	35,978	38,824	74,802
	<hr/>	<hr/>	<hr/>
Net book value at 30th April 1999	108,893	31,103	139,996
	<hr/>	<hr/>	<hr/>
Net book value at 31st March 1998	27,147	15,365	42,512
	<hr/>	<hr/>	<hr/>

**7. DEBTORS**

	1999 £	1998 £
Trade debtors	69,713	–
Other debtors	100,540	15,544
Prepayments and accrued income	75,361	563
	<hr/>	<hr/>
	245,614	16,107
	<hr/>	<hr/>

**8. CREDITORS – amounts falling due within one year**

	1999 £	1998 £
Bank loans and overdrafts	23,681	–
Trade creditors	60,093	46,013
Taxation and social security	79,250	45,353
Other creditors	–	483
Accruals and deferred income	191,794	3,000
	<hr/>	<hr/>
	354,818	94,849
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## ALCHEMY PARTNERS LIMITED

### NOTES TO THE ACCOUNTS (continued)

#### 9. CALLED UP SHARE CAPITAL

	1999 £	1998 £
Authorised:		
100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted and fully paid:		
2 ordinary shares of £1 each	2	—
Issued in year	<u>—</u>	<u>2</u>

The ordinary shares of £1 each were issued at par.

#### 10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999 £	1998 £
Profit for the financial period	28,882	1,997
New share capital subscribed	—	2
Net addition to shareholders' funds	<u>28,882</u>	<u>1,999</u>
Opening shareholders' funds	1,999	—
Closing shareholders' funds	<u>30,881</u>	<u>1,999</u>

#### 11. RELATED PARTY TRANSACTIONS

The company's income is all derived from management charges invoiced for services provided to Alchemy Partners. It is the opinion of the directors that the collective Partnership of Alchemy Partners has overall control of the company. At 30th April 1999 Alchemy Partners owed the company £69,713.

#### 12. PENSIONS

The company operates a defined contribution scheme in respect of certain of its employees. Contributions are charged in the accounts as incurred and there were no outstanding or proposed contributions as at the balance sheet date. Pension costs charged in the year were £24,658 (1998 – £0)