

Report of the Director and
Financial Statements for the Year Ended 30 April 1998
for
Architecture Limited



Architecture Limited

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for the Year Ended 30 April 1998

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Architecture Limited
Company Information
for the Year Ended 30 April 1998

DIRECTOR: Ian Alexander Gordon
AA Dipl., MASI., FRSH., MIMBM., MaPS

SECRETARY: Park Circus (Secretaries) Limited
6 Park Circus Place
Glasgow
G3 6AN

REGISTERED OFFICE: 6 Park Circus Place
Glasgow
G3 6AN

REGISTERED NUMBER: 138029 (Scotland)

AUDITORS: Martin Morrison & Co
Weaver House, 19-20 Chapel Road,
London SE27 OTP

ACCOUNTANTS: Accountancy 2020
6 Turnpin Lane
London SE10 9JA

SOLICITORS: Neill Clerk & Murray
6 Park Circus Place
Glasgow G3 6AN

BANKERS: TSB Bank Plc
4-5 Market Place
Bexleyheath Kent DA6 7DU

Report of the Director
for the Year Ended 30 April 1998

PRINCIPAL ACTIVITY

DIRECTORS

Ian Alexander Gordon

The directors holding office at 30 April 1998 held beneficial interest in the issued share capital of the company at 1 May 1997 and 30 April 1998 as shown above.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Martin Morrison & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

ON BEHALF OF THE BOARD:

Ian Gordon - DIRECTOR

Dated: 25 January 1999

Architecture Limited

**Report of the Auditors to the Shareholders of
Architecture Limited**

We have audited the financial statements on pages four to ten which have been prepared under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described on page two 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, on 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Dated: 25 January 1999


Martin Morrison & Co
London

Architecture Limited
Profit and Loss Account
for the Year Ended 30 April 1998

		Year Ended 30.04.98 ----- £	Year Ended 30.04.97 ----- £
	Notes		
TURNOVER	2	633,325	571,576
Cost of sales		(517,598) -----	(470,541) -----
GROSS PROFIT		115,727	101,035
Administrative expenses		(79,825) -----	(81,953) -----
OPERATING PROFIT	3	35,902	19,082
Interest receivable and similar income	4	538 -----	433 -----
		36,440	19,515
Interest payable and similar charges		(1,466) -----	(927) -----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		34,974	18,588
Tax on profit on ordinary activities	5	(7,659) -----	(4,268) -----
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		27,315	14,320
Dividends		(360) -----	(360) -----
		26,955	13,960
Retained profit brought forward		38,934 -----	24,974 -----
RETAINED PROFIT CARRIED FORWARD		£65,889 =====	£38,934 =====

CONTINUING OPERATIONS

There was no change in the continuing business during the year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current and previous period.

The notes form part of these financial statements

Architecture Limited

Balance Sheet
30 April 1998

		30.04.98		30.04.97	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		14,688		6,710
Investments	7		25		25
			<u>14,713</u>		<u>6,735</u>
CURRENT ASSETS:					
Stocks and Work in Progress		18,817		21,945	
Debtors & Prepayments	8	53,366		76,534	
Cash at bank		41,916		3,179	
		<u>114,099</u>		<u>101,658</u>	
CREDITORS: Amounts falling					
Due within one year	9	(49,310)		(64,758)	
		<u>64,789</u>		<u>36,900</u>	
NET CURRENT ASSETS:					
			<u>79,502</u>		<u>43,635</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS: Amounts falling					
Due after more than one year	10	(8,552)		-	
		<u>£70,950</u>		<u>£43,635</u>	
		<u>=====</u>		<u>=====</u>	
CAPITAL AND RESERVES:					
Called up share capital	12	4,701		4,701	
Profit and loss account		65,889		38,934	
		<u>£70,950</u>		<u>£43,635</u>	
		<u>=====</u>		<u>=====</u>	
Shareholders' funds					

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

ON BEHALF OF THE BOARD:

.....
Ian Gordon - DIRECTOR

Approved by the Board on 25 January 1999.

The notes form part of these financial statements

Architecture Limited

Notes to the Financial Statements for the Year Ended 30 April 1998

1. ACCOUNTING POLICIES

Accounting convention

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

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Office Equipment	-25%
Motor van	-25%

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

2. TURNOVER

The turnover and profit before taxation are attributable to the activities of the business as follows;

Main Activity Sales	£274,363
Interest	£538
Dealings on behalf of clients	£358,962

Architecture Limited

Notes to the Financial Statements for the Year Ended 30 April 1998

3. OPERATING PROFIT

The operating profit is stated after charging:

	30.04.98	30.04.97
	£	£
Depreciation	4,895	2,236
Auditors' remuneration	450	450
	=====	=====
Staff costs including Directors' emoluments.	104,176	62,372
Temp wages	1,247	-
Subcontractor costs	53,213	58,319
Client account dealings	358,962	349,850
	=====	=====
	£517,598	£470,541
	=====	=====

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	30.04.98	30.04.97
	£	£
Deposit account interest	538	433
	=====	=====

5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	30.04.98	30.04.97
	£	£
UK Corporation Tax	7,659	4,268
	=====	=====

UK Corporation Tax was charged at 21% in 1998.

Architecture Limited

Notes to the Financial Statements
for the Year Ended 30 April 1998

6. TANGIBLE FIXED ASSETS

	Van & Equipment
	----- £
COST:	
At 1 May 1997	16,822
Additions	12,873

At 30 April 1998	29,695

DEPRECIATION:	
At 1 May 1997	10,112
Charge for year	4,895

At 30 April 1998	15,007

NET BOOK VALUE:	
At 30 April 1998	14,688
	=====
At 30 April 1997	6,710
	=====

7. FIXED ASSET INVESTMENTS

	£
COST:	
Additions	25

At 30 April 1998	25

NET BOOK VALUE:	
At 30 April 1998	£25
	=====

The investment represents a 33% shareholding in The Gallery at Architecture limited.

Fixed assets which are held under hire purchase contracts or finance lease are as follows:

Computer equipment	
Additions	1,273
Depreciation	(318)

Net book value at 30 April 1998	963
	=====

The lease on 5 & 6 Turnpin Lane has been valued by the Director at £80,000, this amount has not been incorporated in the accounts.

Architecture Limited

Notes to the Financial Statements
for the Year Ended 30 April 1998

8. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	30.04.98	30.04.97
	£	£
Trade debtors	50,909	70,962
Deferred interest	1,649	-
Directors current account	-	4,697
Prepayments	808	875
	=====	=====
	53,336	76,534
	=====	=====

9. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	30.04.98	30.04.97
	£	£
Trade creditors & accruals	7,472	28,070
VAT	14,408	21,797
Social security & other taxes	23,376	11,531
Dividends payable	360	360
HP creditor	545	-
Bank loan	3,149	-
Loans from associated company	-	3,000
	-----	-----
	49,310	64,758
	=====	=====

10. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR

HP creditor	680	-
Bank loan	7,872	-
	-----	-----
	8,552	-
	=====	=====

11. LOANS AND OVERDRAFTS

An analysis of the maturity of loans is given below:

	30.04.98	30.04.97
	£	£
Amounts falling due within one year or on demand:		
Bank loan	3,149	-
Loan from associated company	-	3,000
	-----	-----
	3,149	3,000
	=====	=====
Amounts falling due between two and five years:		
Other loans	7,872	-
	=====	=====

Architecture Limited

Notes to the Financial Statements
for the Year Ended 30 April 1998

12. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	30.04.98	30.04.97
		value:	£	£
100,000	Ordinary shares	£1	100,000	100,000
			=====	=====
Allotted, issued and fully paid:				
Number:	Class:	Nominal	30.04.98	30.04.97
		value:	£	£
4,701		£1	4,701	4,701
			=====	=====

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.04.98	30.04.97
	£	£
Profit for the financial year	26,955	13,960
	-----	-----
ADDITION TO SHAREHOLDERS' FUNDS	26,955	13,960
Opening shareholders' funds	43,635	29,675
	-----	-----
CLOSING SHAREHOLDERS' FUNDS	70,590	43,635
	=====	=====