

Motor Neurone Disease (Sales) Limited
Annual Report and Financial Statement
for the year ended 31 January 1997

Registered number: 1989172



Motor Neurone Disease (Sales) Limited

Directors' Report for the year ended 31 January 1997

The directors present their report and the audited financial statements for the year ended 31 January 1997.

Principal activities

The company is involved in the sale of Christmas cards and gifts, and is the sales outlet for the Motor Neurone Disease Association.

Review of business and future developments

The results for the year are set out in the profit and loss account on page 4. The profit for the year of £5 will be transferred to reserves.

Donations of £7,242 were received on behalf of the Motor Neurone Disease Association and are not contained in these accounts. These donations, together with a deed of covenant payment of £8,500, were paid to the Association during the year.

During the year the company continued to engage Barnardo Publications Limited as its agent for the sale of Christmas cards and other merchandise.

Both the level of business and the year end financial position were satisfactory, and the directors expect the current level of activity to be maintained for the foreseeable future.

Dividends

The directors do not recommend the payment of a dividend.

Directors

The directors of the company as at 31 January 1997, all of whom have been directors for the whole of the year ended on that date, unless otherwise stated, were:

S Blaney	
A Fleeson	
C Henshaw	
W Taylor	(appointed 13 September 1996)
Mrs B Tew (née Smith)	(resigned 13 September 1996)

Directors' insurance

The Motor Neurone Disease Association maintains an insurance policy indemnifying the directors of the company against claims resulting from error or negligence.

Motor Neurone Disease (Sales) Limited

Directors' interests in shares of the company

According to the Register required to be kept by Section 325 of the Companies Act 1985, none of the directors held any beneficial interest in the shares of the company at 31 January 1997 or 31 January 1996.

Close company provisions

The company is a close company as defined by the provisions of the Income and Corporation Taxes Act 1988. There has been no change in this respect since the end of the financial year.

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year 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 the profit or loss and total recognised gains and losses of the company for that period.

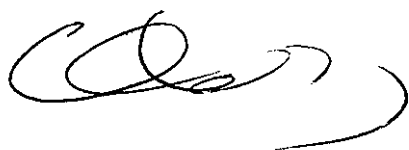
The directors confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 January 1997. The directors also confirm that applicable accounting standards have been followed and the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company, and for taking reasonable steps to prevent and detect fraud and other irregularities.

Auditors

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the Annual General Meeting.

By order of the Board



G Levvy
Company Secretary
19 July 1997

Report of the auditors to the members of Motor Neurone Disease (Sales) Limited

We have audited the financial statements on pages 4 to 10.

Respective responsibilities of directors and auditors

As described on page 2, 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.

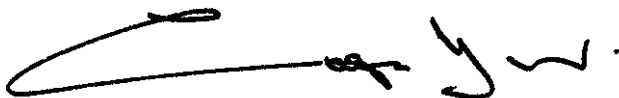
Basis of opinion

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 judgements 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 at 31 January 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand
Chartered Accountants and Registered Auditors
NORTHAMPTON
19 July 1997

Motor Neurone Disease (Sales) Limited

Profit and Loss Account for the year ended 31 January 1997

	Notes	31 January 1997 £	10 months to 31 January 1996 £
Turnover	2	50,942	111,044
Cost of sales		(32,097)	(68,619)
Gross profit		<u>18,845</u>	<u>42,425</u>
Administration expenses		(19,126)	(42,466)
Operating loss	3	<u>(281)</u>	<u>(41)</u>
Interest receivable and similar income		374	830
Interest payable and similar charges	4	-	(713)
Profit before tax		<u>93</u>	<u>76</u>
Corporation tax	7	(88)	-
Profit for the year after tax		<u><u>5</u></u>	<u><u>76</u></u>

Motor Neurone Disease (Sales) Limited

STATEMENT OF RETAINED PROFITS for the year ended 31 January 1997

	31 January 1997 £	10 months to 31 January 1996 £
Retained profits at 1 February 1996	1,309	1,233
Profit for the year after tax	5	76
Retained profits at 31 January 1997	1,314	1,309

The company has no recognised gains or losses other than those included in the profits above and therefore no separate statement of total recognised gains and losses has been presented. The turnover and profits for 1997 and 1996 are derived totally from continuing operations within the meaning of Financial Reporting Standards 3.

There is no difference between the profit on ordinary activities before and after taxation and their historical cost equivalents.

Motor Neurone Disease (Sales) Limited

Balance Sheet as at 31 January 1997

	Notes	31 January 1997 £	31 January 1996 £
Current assets			
Stocks	8	4,705	8,046
Debtors and prepayments	9	2,234	1,807
Cash at bank and in hand		8,150	2,774
		<u>15,089</u>	<u>12,627</u>
Creditors: amounts falling due within one year	10	<u>(13,773)</u>	<u>(11,316)</u>
Net assets		<u><u>1,316</u></u>	<u><u>1,311</u></u>
 Capital and reserves			
Called up share capital	11	2	2
Profit and loss account		<u>1,314</u>	<u>1,309</u>
Equity shareholders' funds	13	<u><u>1,316</u></u>	<u><u>1,311</u></u>

The financial statements on pages 4 to 10 were approved by the Board on 19 July 1997, and were signed on their behalf on that day by:



S Blaney
Director

Motor Neurone Disease (Sales) Limited

Notes to the Financial Statements for the year ended 31 January 1997

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below:

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods supplied.

Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

Cash flow statement

The company qualifies as a small company under the terms of Section 247 of the Companies Act 1985. As a consequence it is exempt from the requirement to publish a cash flow statement.

2 Turnover

The majority of turnover is generated in the United Kingdom; turnover from overseas accounts for less than 1% of the total.

Motor Neurone Disease (Sales) Limited

Notes to the Financial Statements for the year ended 31 January 1997

3 Operating loss

Operating loss is stated after charging:

	31 January 1997 £	10 months to 31 January 1996 £
Auditors' remuneration		
- for audit	1,600	1,200
- for other services	-	300
	<u>1,600</u>	<u>1,500</u>

4 Interest payable and similar charges

	31 January 1997 £	10 months to 31 January 1996 £
Loan interest payable to the holding company	-	713
	<u>-</u>	<u>713</u>

5 Employee information

- (a) The average weekly number of persons employed by the company, including executive directors, during the year were:

	31 January 1997	10 months to 31 January 1996
Selling and distribution	1	1
	<u>1</u>	<u>1</u>

- (b) Employment costs of all employees included above, were:

	31 January 1997 £	10 months to 31 January 1996 £
Gross wages and salaries	1,900	2,082
	<u>1,900</u>	<u>2,082</u>

6 Directors' emoluments

No emoluments are paid to any director.

Motor Neurone Disease (Sales) Limited

Notes to the Financial Statements for the year ended 31 January 1997

7 Taxation on profits on ordinary activities

	31 January 1997 £	10 months to 31 January 1996 £
United Kingdom corporation tax at 24% (1996: 25%)	88	-

8 Stocks

	31 January 1997 £	10 months to 31 January 1996 £
Goods for resale	4,705	8,046

9 Debtors and prepayments

	31 January 1997 £	10 months to 31 January 1996 £
Trade debtors	2,174	1,747
Other debtors and prepayments	60	60
	2,234	1,807

All the above amounts are due within one year of the balance sheet date.

10 Creditors: amounts falling due within one year

	31 January 1997 £	10 months to 31 January 1996 £
Owed to holding company	8,133	555
Other creditors	1,708	2,948
VAT	1,871	4,563
Other taxation	2,061	3,250
	13,773	11,316

Motor Neurone Disease (Sales) Limited

Notes to the Financial Statements for the year ended 31 January 1997

11 Share Capital

	31 January 1997 £	10 months to 31 January 1996 £
Authorised share capital: 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Alotted, called up and fully paid share capital: 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

12 Capital commitments and contingent liabilities

The company had no capital commitments or contingent liabilities at 31 January 1997 (31 January 1996: £nil).

13 Reconciliation of movements in shareholders' funds

	31 January 1997 £	10 months to 31 January 1996 £
Profit for the year after tax	5	76
Opening shareholders' funds	<u>1,311</u>	<u>1,235</u>
Closing shareholders' funds	<u>1,316</u>	<u>1,311</u>

14 Ultimate holding company

The ultimate holding company is Motor Neurone Disease Association, whose registered office is David Niven House, 10 - 15 Notre Dame Mews, Northampton, NN1 2PR and which is registered in England and Wales.