

ERNEST NOAD & ASSOCIATES LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1997



Company No. 3109469

ERNEST NOAD & ASSOCIATES LIMITED

COMPANY INFORMATION

Directors	Ernest G Noad Diane M Noad
Secretary	Ernest G Noad
Company Number	3109469
Registered Office	Newman House 270 London Road Wallington Surrey SM6 7DJ
Auditors	K W Bunkell & Co Newman House 270 London Road Wallington Surrey SM6 7DJ
Bankers	Barclays Bank Plc 3 Beckenham Road Beckenham Kent BR3 4ES

ERNEST NOAD & ASSOCIATES LIMITED

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The following pages do not form part of the statutory accounts:

Management Profit and Loss Account	10 to 11
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ERNEST NOAD & ASSOCIATES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1997

The directors present their report together with the audited accounts for the year ended 31st December 1997.

Principal Activities and Review of Business

The company's principal activity continued to be that of an independent financial adviser.

Results and Dividends

The results for the year are set out in the profit and loss account on page 4.

The directors consider the state of the company's affairs to be satisfactory.

Dividends

The directors recommend dividends amounting to £17,000 (1996 £28,400).

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

Ordinary shares of £1 each

	31st December 1997	<i>1st January 1997</i>
Ernest G Noad	75	<i>75</i>
Diane M Noad	25	<i>25</i>

Political and Charitable Contributions

The company made political contributions of £860 during the period to The Streatham Conservative Association.

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 the company's affairs and of the profit or loss for that year. In preparing these accounts the directors are required to:

Select suitable accounting policies and then 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 keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and 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.

ERNEST NOAD & ASSOCIATES LIMITED

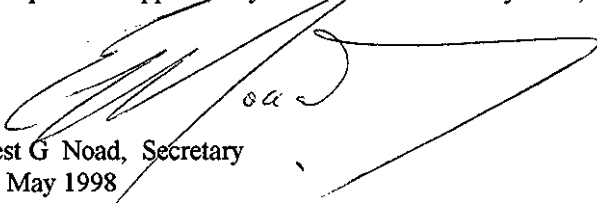
DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1997

Auditors

A resolution to reappoint K W Bunkell & Co Chartered Accountants as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on 13th May 1998, and signed on its behalf.



Ernest G Noad, Secretary
13th May 1998

AUDITORS' REPORT TO THE SHAREHOLDERS OF ERNEST NOAD & ASSOCIATES LIMITED

We have audited the accounts on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 1 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and 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 information and explanations which 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 the 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 31st December 1997 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



K W Bunkell & Co
Chartered Accountants
and Registered Auditors
Newman House
270 London Road
Wallington
Surrey
SM6 7DJ
Date: 13th May 1998

ERNEST NOAD & ASSOCIATES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1997

	Notes	1997 £	1996 £
Turnover		91,900	104,763
Gross Profit		91,900	104,763
Administrative Expenses		72,503	51,979
Operating Profit	2	19,397	52,783
Interest Receivable		1,074	1,028
Profit on Ordinary Activities before Taxation		20,471	53,812
Tax on profit on ordinary activities	3	4,724	14,014
Profit for the Financial Year		15,747	39,797
Dividends	5	17,000	28,400
Retained Loss/Profit for the Year		(1,253)	11,397

All amounts relate to continuing activities.

There were no recognised gains or losses for 1997 or 1996 other than those included in the profit and loss account.

ERNEST NOAD & ASSOCIATES LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 1997

	Notes	1997	1996
		£	£
Fixed Assets			
Tangible assets	6	3,993	4,316
Current Assets			
Debtors	7	10,313	10,100
Cash at bank and in hand		19,476	31,841
		29,789	41,941
Creditors: Amounts Falling Due Within One Year	8	23,537	34,760
Net Current Assets		6,252	7,181
Total Assets Less Current Liabilities		10,245	11,497
Capital and Reserves			
Share Capital - Equity	10	100	100
Profit and loss account		10,145	11,397
Shareholders' Funds	11	10,245	11,497

These accounts were approved by the board on 13th May 1998 and signed on its behalf.

Ernest G. Noad
Director

ERNEST NOAD & ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1997

1 Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

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

Turnover

Turnover is the total amount of commission and fees receivable by the company for services provided during the period.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are:

Fixtures and fittings	15% on straight line
Computer equipment	33% on straight line

Contribution to Pension Funds

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

2 Operating Profit

The operating profit is arrived at after charging or crediting:

	1997	1996
	£	£
Depreciation of owned assets	1,904	1,858
Auditors' remuneration	1,175	1,175

3 Taxation

	1997	1996
	£	£
Based on the profit for the year		
UK corporation tax at 21.75%	5,135	14,014
	5,135	14,014
Prior periods		
Under/(over) provision in earlier years	(411)	-
	4,724	14,014

ERNEST NOAD & ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1997

4 Directors and Employees

Staff costs, including directors' remuneration, were as follows:

	1997 £	1996 £
Wages and salaries	18,000	6,050
Social security costs	1,507	-
Other pension costs	1,000	2,684
Other costs	394	-
	<u>20,901</u>	<u>8,734</u>

Directors' emoluments

	1997 £	1996 £
Emoluments	18,394	6,050
Directors' pension contributions	1,000	2,684
	<u>19,394</u>	<u>8,734</u>

5 Dividends

Ordinary dividends - paid

	1997 £	1996 £
Ordinary dividends - paid	17,000	28,400
	<u>17,000</u>	<u>28,400</u>

6 Tangible Fixed Assets

	Fixtures and Fittings	Computer Equipment	Total
Cost	£	£	£
At 1st January 1997	1,000	5,175	6,175
Additions	200	1,380	1,580
At 31st December 1997	1,200	6,555	7,755
Depreciation			
At 1st January 1997	150	1,708	1,858
Charge for the year	158	1,746	1,904
At 31st December 1997	308	3,454	3,762
Net Book Value			
At 31st December 1997	892	3,101	3,993
At 31st December 1996	850	3,467	4,317

ERNEST NOAD & ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1997

7	Debtors	1997 £	1996 £
	Trade debtors	6,626	2,006
	Other debtors	2,650	7,660
	Prepayments and accrued income	1,037	434
		<u>10,313</u>	<u>10,100</u>

8	Creditors: Amounts Falling Due Within One Year	1997 £	1996 £
	Trade creditors	3,703	-
	Corporation tax	5,134	21,114
	Other taxes and social security	3,055	-
	Other creditors	9,201	12,114
	Directors' loan accounts	79	28
	Accruals and deferred income	2,365	1,503
		<u>23,537</u>	<u>34,760</u>

9 Pension Scheme

The company operates a defined contribution pension scheme for the benefit of the directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The total contributions paid in the period amounted to £1,000.

10	Share Capital	1997 £	1996 £
	Authorised Equity Shares		
	Ordinary shares of £1each	<u>100</u>	<u>100</u>
		<u>100</u>	<u>100</u>
	Allotted Equity Shares		
	Allotted, called up and fully paid ordinary shares of £1each	<u>100</u>	<u>100</u>

ERNEST NOAD & ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1997

11	Reconciliation of Shareholders' Funds	1997 £	1996 £
	Profit for the financial year	15,747	39,797
	Dividends	(17,000)	(28,400)
		<hr/>	<hr/>
	Issue of share capital	(1,253)	11,397
		-	100
		<hr/>	<hr/>
	Decrease/Increase in the shareholders' funds	(1,253)	11,497
	Opening shareholders' funds	11,498	-
		<hr/>	<hr/>
	Closing shareholders' funds	10,245	11,497
		<hr/>	<hr/>