

Edinburgh Tea and Coffee Company Ltd

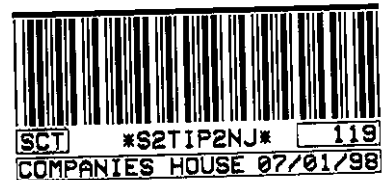
Company No. SC 128500

**Abbreviated
Financial Statements**

Year ended 31 March 1997

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I.D.Sutherland F.C.C.A.
Certified Accountant
Edinburgh



EDINBURGH TEA AND COFFEE COMPANY LTD

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 1997

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AUDITOR'S REPORT TO
EDINBURGH TEA AND COFFEE COMPANY LTD

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

I have examined the abbreviated financial statements on pages 3 to 7, together with the financial statements of the company prepared under Section 226 of the Companies Act 1985 for the year ended 31st March 1997.

RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR

The director is responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is my responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the director's statement on page 3 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

I have carried out the procedures I considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of my work for the purposes of this report does not include examining or dealing with events after the date of my report on the full financial statements.

OPINION

In my opinion, the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st March 1997, and the abbreviated financial statements on pages 3 to 7 have been properly prepared in accordance with that Schedule.

On 8th July 1997 I reported, as auditor of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st March 1997, and my audit report was as follows:

"I have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 to 7.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND AUDITOR

As described in note 1 to the financial statements the director is responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

BASIS OF OPINION

I conducted my 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.

AUDITOR'S REPORT TO
EDINBURGH TEA AND COFFEE COMPANY LTD

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

Continued ...

It also includes an assessment of the significant estimates and judgements made by the director 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In my opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 1997 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985."



Date: 8 July 1997

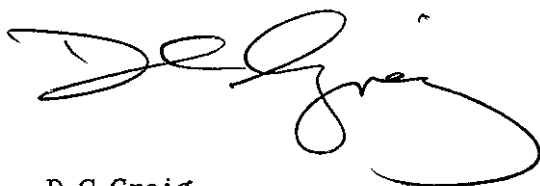
I D SUTHERLAND FCCA
Registered Auditor
8 Old Mill Lane
Edinburgh
EH16 5TZ

EDINBURGH TEA AND COFFEE COMPANY LTDABBREVIATED BALANCE SHEET AS AT 31st MARCH 1997

	Note	1997 £	1996 £
Fixed assets			
Tangible assets	3	28,861	31,020
Current assets			
Stocks		62,117	54,949
Debtors	4	68,492	64,662
Cash at bank and in hand		16,410	27,160
		<u>147,019</u>	<u>146,771</u>
Creditors: Amounts falling due within one year	5	<u>(110,713)</u>	<u>(97,787)</u>
Net current assets		36,306	48,984
Total assets less current liabilities		<u>65,167</u>	<u>80,004</u>
Creditors: Amounts falling due after more than one year	6	<u>(32,167)</u>	<u>(48,500)</u>
Net assets		<u><u>33,000</u></u>	<u><u>31,504</u></u>
		£	£
Capital and reserves:			
Called up equity share capital	7	30,000	30,000
Profit and loss account		3,000	1,504
Shareholders' funds		<u><u>33,000</u></u>	<u><u>31,504</u></u>

The director has taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

These financial statements were approved by the director on: 8-7-97



D C Greig

The notes on pages 4 to 7 form part of these financial statements.

EDINBURGH TEA AND COFFEE COMPANY LTDNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 1997**1. THE DIRECTOR'S RESPONSIBILITIES**

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the company's state of affairs at the end of the year and the profit or loss for the year then ended.

In preparing those financial statements, the director is required to select suitable accounting policies, as described on pages 4 to 5, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The director must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

2. ACCOUNTING POLICIES

These financial statements have been prepared under the historical cost convention using the following accounting policies:

CASH FLOW STATEMENT

The director has taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

TURNOVER

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

DEPRECIATION

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Plant & Machinery	10% per annum
Motor Vehicles	25% per annum

STOCK

Stock has been valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

EDINBURGH TEA AND COFFEE COMPANY LTDNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 1997

2. ACCOUNTING POLICIES NOTE - CONTINUED

FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

3. TANGIBLE FIXED ASSETS

	TOTAL £
Cost:	
Balance brought forward	52,604
Additions at cost	10,255
Disposals at cost	(6,145)
	<hr/>
Balance carried forward	56,714
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Depreciation:	£
Balance brought forward	21,585
Depreciation on disposals	(6,145)
Depreciation charge	12,413
	<hr/>
Balance carried forward	27,853
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Net book value:	£
At 31st March 1997	28,861
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At 31st March 1996	31,019
	<hr/>

4. DEBTORS

All amounts shown as debtors are receivable within one year.

5. CREDITORS: Amounts falling due within one year

Included within creditors falling due within one year are liabilities of £13,010 (1996 - £11,693) in respect of taxation and social security.

EDINBURGH TEA AND COFFEE COMPANY LTDNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 1997

5. CREDITORS: Amounts falling due within

e year - continued

The following debts disclosed under creditors falling due within one year are secured by the company:

	1997 £	1996 £
Bank loans and overdrafts	<u>18,000</u>	<u>11,500</u>

6. CREDITORS: Amounts falling due after more than one year

The following debts disclosed under creditors falling due after more than one year are secured by the company:

	1997 £	1996 £
Bank loans and overdrafts	<u>32,167</u>	<u>48,500</u>

All liabilities are payable within five years of the balance sheet date.

7. SHARE CAPITAL

Authorised share capital:

	1997 £	1996 £
30,000 Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>

Allotted, called up and fully paid:

	1997 £	1996 £
Equity share capital:		
Ordinary share capital brought forward	<u>30,000</u>	<u>30,000</u>
	<u>30,000</u>	<u>30,000</u>

EDINBURGH TEA AND COFFEE COMPANY LTDNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 1997

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1997 £	1996 £
Profit for the financial year	1,496	794
Net addition to funds	1,496	794
Opening shareholders' funds	31,504	30,710
Closing shareholders' funds	<u>33,000</u>	<u>31,504</u>