

GRANTHOLME LIMITED

DIRECTORS' REPORT

The Directors submit their Annual Report for the year ended 30th April, 1997.

Profits were £34,238 subject to taxation of £8,131.

Your Directors recommend the payment of a dividend of £28,370..

Full details of the proposed disposal of the Profits are shown in the accounts leaving a balance of accumulated losses to carry forward £2,602.

The Company is a Close Company as defined by the Income and Corporation Taxes Act 1988, as amended.

The principal activities of the Company have been those of Design Engineering.

The Directors at the date of the Balance Sheet are:-

Paul Jonathan Kite

Vera Kite

The Directors have the following interests, including family, interests, in the Shares of your Company:-

		At the date of the Appended Balance Sheet	At the date of the Last Balance Sheet
P. J. Kite) Ordinary	90	89
) Shares of		
Mrs. V. Kite) £1 Each	10	-

As a Small Sized Company we have relied upon the exemptions contained in the Companies Act 1985 Sections 247 to 249.

Signed on behalf of the Board



Paul J Kite

P. J. KITE

Dated10th February..... 1998

GRANTHOLME LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL, 1997

ACCOUNTANTS CERTIFICATE

In accordance with the instructions, given to me, I have prepared the above Accounts under the Historical Cost Convention, and confirm that the accounts for the financial year ended 30th April, 1997, are in agreement with the accounting records kept by the Company under Section 221 of the Companies Act 1985. Having regard only to, and on the basis of the information contained in these accounting records, these accounts have been drawn up in a manner consistent with the provisions of this Act specified in subsection (6) so far as applicable to the Company.

In my opinion, having regard only to, and on the basis of the information contained in the accounting records kept by the Company under Section 221, the Company satisfied the requirements of subsection (4) of Section 249A and did not fall within Section 249B(1)(a) to (f) at any time within the financial year.

P Hynard, Esq
95 Albert Street
Fleet
HANTS
GU13 9RN

Accountant



24th October, 1997

GRANTHOLME LIMITED

BALANCE SHEET

30TH APRIL, 1996

NOTES

30TH APRIL, 1997

FIXED ASSETS

1,457	Tangible Assets	8	1,560.00
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CURRENT ASSETS

5,254	Debtors	9	360.00
_____	Cash at Bank and in Hand		<u>948.62</u>
5,254			1,308.62
_____			_____

CURRENT LIABILITIES

5,232	Taxation	11	4,229.48
489	Creditors: Amounts falling due within one year	12	513.00
<u>498</u>	Bank Overdraft		_____
6,219			4,742.48
_____			_____

965	NET CURRENT LIABILITIES		3,433.86
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492	TOTAL ASSETS LESS CURRENT LIABILITIES		1,873.86
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CREDITORS

741	Amounts due in more than one year	13	628.05
_____			_____
£249			£2,501.91
=====			=====

CAPITAL AND RESERVES

90	Called Up Share Capital	14	100.00
339	Profit and Loss Account		2,601.91
_____			_____
£249			£2,501.91
=====			=====

GRANTHOLME LIMITED

BALANCE SHEET - CONTINUED

FOR THE YEAR ENDED 30TH APRIL, 1997

For the year in question, the company was entitled to the exemption conferred by subsection (1) of Section 249A (1) of the Companies Act 1985 (Audit Exemption) Regulations 1994 (S/1994/1935).

No notice has been deposited under subsection (2) of Section 249B in relation to the accounts for the financial year.

I acknowledge my responsibility for:-

- (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (ii) preparing accounts which give a true and fair view of the state of the company as at the end of the financial year and of its profits for the financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Act relating to the accounts, so far as applicable to the company.

The Company has taken advantage of the exemptions conferred by s246 of the Companies Act 1985 on the basis that the Company qualifies as a small company.

The attached notes form an integral part of these Accounts: Pages 7 to 11.

Signed on behalf of the Board


.....
P. J. KITE
DIRECTOR

GRANTHOLME LIMITED

STATUTORY PROFIT AND LOSS ACCOUNT

<u>YEAR ENDED</u> <u>30TH APRIL, 1996</u>		<u>NOTES</u>	<u>FOR THE YEAR ENDED</u> <u>30TH APRIL, 1997</u>
50,547	TURNOVER		51,327.50
	<u>Operating Costs</u>		
	2,498 General Overheads		4,485.70
	11,319 Directors Remuneration		11,673.70
	454 Accountancy Fee		478.00
14,756	<u>485</u> Depreciation of Fixed Assets		<u>519.47</u>
			17,156.87
35,791	OPERATING PROFIT ON ORDINARY ACTIVITIES		34,170.63
	<u>Income from Investments</u>		
96	Bank Interest Received		67.27
35,887	NET PROFIT FOR THE YEAR		34,237.90
8,942	<u>Less:</u> Taxation on Ordinary Activities	6	8,131.29
26,945			26,106.61
26,160	<u>Less:</u> Dividends Paid	7	28,370.00
785	Losses Available to Carry Forward		2,263.39
1,124	Accumulated Losses Brought Forward		338.52
£339	Balance Carried Forward to Balance Sheet		£2,601.91

GRANTHOLME LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH APRIL, 1997

	<u>NOTES</u>	<u>1997</u> <u>£</u>	<u>1996</u> <u>£</u>
Net Cash Inflow from Operating Activities	16	38,513.19	33,332
Returns on investment and servicing of finance			
Interest Received		67.27	96
Dividends Paid	7	(28,370.00) (28,302.73)	(26,160)
		<hr/>	<hr/>
Net Cash inflow from investments and service of finance		10,210.46	7,268
<u>Taxation</u>			
Corporation Tax Paid (including ACT)	6	(8,131.29)	(8,942)
		<hr/>	<hr/>
		2,079.17	(1,674)
<u>Investing Activities</u>			
Payments to Acquire:-			
Tangible Fixed Assets		(622.47)	(938)
		<hr/>	<hr/>
Net Cash Inflow (Outflow) before financing		1,456.70	(2,612)
<u>Financing</u>			
Ordinary Shares of £1 Each		10.00	-
		<hr/>	<hr/>
Increase (Decrease) in Cash and Cash equivalents	16	£1,446.70	£(2,612)
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 7 to 11 form part of these financial statements.

GRANTHOLME LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH APRIL, 1997

1. **ACCOUNTING POLICIES**

(a) **Basis of Accounting**

The financial statements have been prepared under the Historical Cost Convention.

(b) **Turnover**

Turnover represents net invoiced services provided excluding value added tax.

(c) **Tangible Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:-

Office Equipment	-	25%
Equipment	-	25%

(d) **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 Director, there is reasonable probability that the liability will not arise in the foreseeable future.

2. **TURNOVER**

The turnover and profit before taxation is attributable to the one principal activity of the Company.

3. **OPERATING PROFIT**

The operating profit is stated after charging:-

	<u>1997</u>	<u>1996</u>
Depreciation of Tangible Fixed Assets	519.47	485
Directors Remuneration	10,910.00	10,580
Staff Costs (Note 4)	763.70	739
Accountants Remuneration	478.00	454
	<u> </u>	<u> </u>

GRANTHOLME LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 30TH APRIL, 1997

4. **STAFF COSTS**

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Social Security Costs	763.70	739
	<u> </u>	<u> </u>

The average weekly number of employees during the year was as follows:-

	<u>No.</u>	<u>No.</u>
Office and Management	-	-
Engineering	1	1
	<u> </u>	<u> </u>

5. **INTEREST PAYABLE**

Interest payable on bank loans and overdrafts:-

Repayable within 5 years, not by instalments	NIL	1
	<u> </u>	<u> </u>

6. **TAXATION**

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

Corporation Tax at 24% and 21%
based on the adjusted results of the
year.

8,131.29	8,942
<u> </u>	<u> </u>

7. **DIVIDENDS**

Dividends of £283.70 per share were declared in the year ended 30th April, 1997.

GRANTHOLME LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 30TH APRIL, 1997

8. SCHEDULE OF FIXED ASSETS

	<u>Equipment</u>	<u>Office Equipment</u>
Cost at 1st May, 1996	1,985.00	454.25
Addition	-	622.47
	<hr/>	<hr/>
Cost at 30th April, 1997	1,985.00	1,076.72
	<hr/>	<hr/>
Depreciation at 1st May, 1996	788.00	194.25
Depreciation for the Year	299.00	220.47
	<hr/>	<hr/>
	1,087.00	414.72
	<hr/>	<hr/>
Balance per Balance Sheet	898.00	662.00
	<hr/>	<hr/>

9. DEBTORS

	<u>1997</u>	<u>1996</u>
Trade Debtors	-	4,894
Payments in Advance	360.00	360
	<hr/>	<hr/>
	360.00	5,254
	<hr/>	<hr/>

10. CAPITAL COMMITMENTS

Capital expenditure that has been contracted for but has not been provided for in the financial statements.	NIL	NIL
	<hr/>	<hr/>
Capital expenditure that has been authorised by the Director but has not yet been contracted for.	NIL	NIL
	<hr/>	<hr/>

GRANTHOLME LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 30TH APRIL, 1997

	<u>1997</u> <u>£</u>	<u>1996</u> <u>£</u>
11. <u>TAXATION</u>		
PAYE	119.01	-
VAT	2,371.68	2,230
Advance Corporation Tax	700.00	600
Corporation Tax	1,038.79	2,402
	<hr/>	<hr/>
	4,229.48	5,232
	<hr/>	<hr/>
12. <u>CREDITORS</u>		
<u>Amounts falling due within one year.</u>		
Accrued Charges	35.00	35
Sundry Creditors	478.00	454
	<hr/>	<hr/>
	513.00	489
	<hr/>	<hr/>
13. <u>CREDITORS</u>		
<u>Amounts falling due after more than one year.</u>		
Directors Current Account	628.05	741
	<hr/>	<hr/>
14. <u>CALLED UP SHARE CAPITAL</u>		
Authorised: Ordinary Shares of £1 Each	100.00	100
	<hr/>	<hr/>
Allotted, Issued and Fully Paid Ordinary Shares of £1 Each	100.00	90
	<hr/>	<hr/>
15. <u>CONTINGENT LIABILITIES</u>		
No contingent liabilities exist as far as the Directors are aware.		

GRANTHOLME LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 30TH APRIL, 1997

	<u>1997</u> <u>£</u>	<u>1996</u> <u>£</u>	
16. Notes to the cash flow statement			
(a) Reconciliation of Operating Profit to net cash inflow from operating activities			
Operating Profit	34,170.63	35,791	
Depreciation Charges	519.47	485	
Decrease in Taxation	(1,002.16)	1,375	
Decrease in Debtors	4,893.87	(4,924)	
Decrease in Creditors	(68.62)	605	
	<hr/>	<hr/>	
Net Cash inflow from operating activities	38,513.19	33,332	
	<hr/> <hr/>	<hr/> <hr/>	
(b) Analysis of changes in cash and cash equivalents during the year			
Balance at 1st May, 1996	498.08		
Net Cash inflow	1,446.70		
	<hr/>		
Balance at 30th April, 1997	948.62		
	<hr/> <hr/>		
(c) Analysis of the balance of cash and cash equivalents as shown in the balance sheet			
	1997	1996	Change in Year
Cash at Bank and in Hand	948.62	(498.08)	1,446.70
	<hr/>	<hr/>	<hr/>