

GRANTHOLME LIMITED

DIRECTORS' REPORT

The Directors submit their Annual Report for the year ended 30th April 1998.

Profits were £43491 subject to taxation of £9575.

Your Directors recommend the payment of a dividend of £31280.

Full details of the proposed disposal of the Profits are shown in the accounts leaving a balance of undistributed profits to carry forward £34.

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	90
) Shares of		
Mrs V Kite) £1 Each	10	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

Dated 30th September 1998



GRANTHOLME LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH APRIL, 1998

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, 1998, 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

18th August, 1998



GRANTHOLME LIMITED**BALANCE SHEET****30TH APRIL 1997****NOTES****30TH APRIL 1998****FIXED ASSETS**

1560	Tangible Assets	8	1393.00
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CURRENT ASSETS

-	Work in Progress		5600.00
360	Debtors	9	360.00
<u>949</u>	Cash at Bank and in Hand		<u>1164.38</u>
1309			7124.38

CURRENT LIABILITIES

4229	Taxation	11	4623.57
<u>513</u>	Creditors: Amounts falling due within one year	12	<u>539.00</u>
4742			5162.57

3433	NET CURRENT ASSETS		1961.81
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1873	TOTAL ASSETS		3354.81
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CREDITORS

629	Amounts due in more than one year	13	3220.38
£2502			£134.43

CAPITAL AND RESERVES

100	Called Up Share Capital	14	100.00
2602	Profit and Loss Account		34.43
£2502			£134.43

GRANTHOLME LIMITED

BALANCE SHEET - CONTINUED

FOR THE YEAR ENDED 30TH APRIL 1998

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

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Paul J Kite
P J KITE
DIRECTOR

GRANTHOLME LIMITED

STATUTORY PROFIT AND LOSS ACCOUNT

<u>YEAR ENDED</u> <u>30TH APRIL 1997</u>		<u>NOTES</u>	<u>FOR THE YEAR ENDED</u> <u>30TH APRIL 1998</u>	
51328	TURNOVER (Adjusted for work in Progress)			61670.79
	<u>Operating Costs</u>			
	4486 General Overheads		5624.76	
	11674 Directors Remuneration		11673.70	
	478 Accountancy Fee		504.00	
17157	<u>519</u> Depreciation of Fixed Assets		<u>464.80</u>	18267.26
34171	OPERATING PROFIT ON ORDINARY ACTIVITIES			43403.53
	<u>Income from Investments</u>			
67	Bank Interest Received			87.74
34238	NET PROFIT FOR THE YEAR			43491.27
8131	<u>Less:</u> Taxation on Ordinary Activities	6		9574.93
26107				33916.34
28370	<u>Less:</u> Dividends Paid	7		31280.00
2263	Profit Available to Carry Forward			2636.34
339	Accumulated Losses Brought Forward			2601.91
£2602	Balance Carried Forward to Balance Sheet			£34.43

GRANTHOLME LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 1998

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>1998</u>	<u>1997</u>
Depreciation of Tangible Fixed Assets	464.80	519
Directors Remuneration	10910.00	10910
Staff Costs (Note 4)	763.70	764
Accountants Remuneration	504.00	478
	<u> </u>	<u> </u>

GRANTHOLME LIMITED

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 30TH APRIL 1998

4. STAFF COSTS

	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
Social Security Costs	763.70	764
	<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	NIL
	<u> </u>	<u> </u>

6. TAXATION

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

Interest on late Corporation Tax	2.83	-
Interest on late Advance Corporation Tax	35.06	-
Corporation Tax at 24% and 21% based on the adjusted results of the year.	9290.77	8131
Underprovision of Previous Years Corporation Tax	<u>246.27</u>	<u> </u>
	<u>9574.93</u>	<u>8131</u>
	<u> </u>	<u> </u>

7. DIVIDENDS

Dividends of £312.80 per share were declared in the year ended 30th April 1998.

GRANTHOLME LIMITED
NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)
FOR THE YEAR ENDED 30TH APRIL 1998

8. **SCHEDULE OF FIXED ASSETS**

	<u>Equipment</u>	<u>Office Equipment</u>
Cost at 1st May 1997	1985.00	1076.72
Addition	-	297.80
	<hr/>	<hr/>
Cost at 30th April 1998	1985.00	1374.52
	<hr/>	<hr/>
Depreciation at 1st May 1997	1087.00	414.72
Depreciation for the Year	<u>225.00</u>	<u>239.80</u>
	1312.00	654.52
	<hr/>	<hr/>
Balance per Balance Sheet	<u>£673.00</u>	<u>720.00</u>
	<hr/>	<hr/>

9. **DEBTORS**

	<u>1998</u>	<u>1997</u>
Payments in Advance	360.00	360
	<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 1998

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
11. <u>TAXATION</u>		
PAYE	119.01	118
VAT	2233.79	2372
Advance Corporation Tax	800.00	700
Corporation Tax	<u>1470.77</u>	<u>1039</u>
	4623.57	4229
	<u><u> </u></u>	<u><u> </u></u>
12. <u>CREDITORS</u>		
<u>Amounts falling due within one year.</u>		
Accrued Charges	35.00	35
Sundry Creditors	<u>504.00</u>	<u>478</u>
	539.00	513
	<u><u> </u></u>	<u><u> </u></u>
13. <u>CREDITORS</u>		
<u>Amounts falling due after more than one year.</u>		
Directors Current Account	3220.38	629
	<u><u> </u></u>	<u><u> </u></u>
14. <u>CALLED UP SHARE CAPITAL</u>		
Authorised: Ordinary Shares of £1 Each	100.00	100
	<u><u> </u></u>	<u><u> </u></u>
Allotted, Issued and Fully Paid Ordinary Shares of £1 Each	100.00	100
	<u><u> </u></u>	<u><u> </u></u>
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 1998

	<u>1998</u> <u>£</u>	<u>1997</u> <u>£</u>
16. <u>RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS</u>		
Issue of Share Capital	-	-
Profit/(Loss) for the year	2636.34	(2263)
	-----	-----
Opening Shareholders' Funds	2636.34 (2501.91)	(2263) (239)
	-----	-----
Closing Shareholders' Funds	134.43	(2502)
	=====	=====