

ABBREVIATED ACCOUNTS

TYNE CARE LIMITED

31 March 1997

Company no. : 02568100



AUDITORS' REPORT TO THE DIRECTORS OF TYNE CARE LIMITED  
PURSUANT TO SCHEDULE 8 THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5 together with the full financial statements of Tyne Care Limited for the year ended 31 March 1997. The scope of our work for the purpose of this report was limited to confirming that the directors are entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from the full financial statements.

In our opinion the directors are entitled under sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts in respect of the year ended 31 March 1996, and the abbreviated accounts on pages 2 to 5 have been properly prepared in accordance with Schedule 8 to that Act.

On 29<sup>th</sup> December 1996 we reported, as auditors of Tyne Care Limited, to the members on the full financial statements prepared under s.226 of the Companies Act 1985 for the year ended 31 March 1997 and our audit report was as follows:-

We have audited the financial statements on pages 2 to 9 which have been prepared under the historical cost convention and the accounting policies set out on pages 4 and 5.

Respective responsibilities of directors and auditors

As described on page 4 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

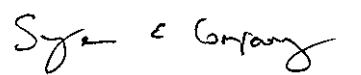
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 as at 31 March 1997 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

THE SMITHY HOUSE  
PONTELAND  
NEWCASTLE-UPON-TYNE

  
SYRON & COMPANY  
CHARTERED ACCOUNTANTS  
REGISTERED AUDITOR

29<sup>th</sup> December 1997

TYNE CARE LIMITED  
BALANCE SHEET AT 31 MARCH 1997

	Note	£	£	1996	£
<b>Fixed Assets</b>					
Intangible assets	(iii)		50210		63580
Tangible assets	(iv)		26700		13510
			<u>76910</u>		<u>77090</u>
<b>Current assets</b>					
Stocks		72550		70787	
Debtors	(v)	92011		84161	
Cash at bank & in hand		146015		118826	
		<u>310576</u>		<u>273774</u>	
Creditors: amounts falling due within one year	(vi)	102943		118456	
Net current assets			207633		155318
Total assets less current liabilities			<u>284543</u>		<u>232408</u>
Creditors: amounts falling due after more than one year			-		-
Provision for liabilities and charges - deferred taxation			700		50
			<u>£ 283843</u>		<u>£ 232358</u>
			=====		=====
<b>Capital and Reserves</b>					
Called up share capital	(vii)		100		100
Profit and loss account			283743		232258
			<u>£ 283843</u>		<u>£ 232358</u>
			=====		=====

The directors have relied upon the exemptions contained in s.s. 247-249 of the Companies Act 1985 on the basis that this company is entitled to those exemptions as a small company.

The financial statements were approved by the Board of Directors on 29/12/97

M.A. Paripatyadar .....

N. Paripatyadar ..... DIRECTORS

**(i) Statement of Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing those financial statements, 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 financial statements on a 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**(ii) Accounting Policies**

The financial statements have been prepared under the historical cost convention.

The principal accounting policies of the company, which have remained unchanged since the previous year, are as follows :-

**a) Turnover**

Turnover is the total amount receivable by the company in the ordinary course of business with outside customers for goods and services supplied excluding VAT.

**b) Depreciation of Tangible Fixed Assets**

Depreciation is provided to write these assets down to their estimated net realisable values over their expected useful lives.

The rates used are :-

Motor Vehicles	25% p.a. reducing balance method
Fixtures, Fittings & Equipment	25% p.a. reducing balance method

In the case of assets acquired late in an accounting period ad hoc departures from the above annual rates have been made with the object of apportioning diminutions of value to the period more realistically.

TYNE CARE LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS (CONT)  
 YEAR ENDED 31 MARCH 1997

(ii) Accounting Policies (cont)

c) Amortisation of Intangible Fixed Assets

Purchased Goodwill is amortised on a straight line basis over a term of 10 years, estimated to be its useful economic life.

Franchise Fees are amortised on a straight line basis over a term of 5 years, estimated to be their useful economic life.

d) Deferred Taxation

Deferred Taxation is the taxation attributable to timing differences between profits or losses computed for taxation purposes and results as stated in the financial statements.

Provision is made for deferred taxation to the extent that it is probable that timing differences will reverse in the foreseeable future.

e) Stock

Stock is stated at the lower of Cost and Net Realisable Values.

(iii) Intangible Fixed Assets

	Franchise Fees £	Purchased Goodwill £	Total £	1996 Total £
<b>Cost</b>				
Brought Forward	16350	101000	117350	101000
Additions	-	-	-	16350
At 31 March 1997	16350	101000	117350	117350
<b>Amortisation</b>				
Brought Forward	3270	50500	53770	40400
Charge for the Year	3270	10100	13370	13370
At 31 March 1997	6540	60600	67140	53770
<b>NET BOOK VALUES 31 MARCH 1997</b>	<b>9810</b>	<b>40400</b>	<b>50210</b>	<b>63580</b>
	=====	=====	=====	=====

TYNE CARE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONT)  
YEAR ENDED 31 MARCH 1997

(iv) **Tangible Fixed Assets**

	Motor Vehicles	Fixtures Fittings & Equipment	Total	1996 Total
	£	£	£	£
<b>Cost</b>				
Brought Forward	15000	29245	44245	43310
Additions	20155	560	20715	935
Disposals	(6000)	-	(6000)	-
At 31 March 1997	29155	29805	58960	44245
<b>Depreciation</b>				
Brought Forward	11450	19285	30735	26210
Charge for the Year	3485	2620	6105	4525
On Disposals	(4580)	-	(4580)	-
At 31 March 1997	10355	21905	32260	30735
<b>NET BOOK VALUES 31 MARCH 1997</b>	<b>18800</b>	<b>7900</b>	<b>26700</b>	<b>13510</b>
	=====	=====	=====	=====

(v) **Debtors**

All amounts are receivable within 12 months.

(vi) **Creditors: amounts falling due after more than one year**

All amounts fall due within 12 months.

(vii) **Share Capital**

	£	1996 £
Authorised		
1000 ordinary shares of £1 each	1000	1000
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100