

D. F. CAREY (INSURANCE BROKERS) LIMITED

REPORTS AND ACCOUNTS

FOR THE YEAR ENDED 5TH APRIL 2000



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D. F. CAREY (INSURANCE BROKERS) LIMITED

REPORTS AND ACCOUNTS

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*These pages do not form part of the statutory accounts.

D. F. CAREY (INSURANCE BROKERS) LIMITED

REPORT OF THE DIRECTOR

For the year ended 5th April 2000

The director submits his report and accounts for the year ended 5th April 2000.

PRINCIPAL ACTIVITIES

The principal activities of the company and its subsidiary during the year were that of general insurance brokers and property investment.

On 28th May 1999 the subsidiary company sold its remaining investment property and ceased to trade.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Turnover has increased by 2.1% on the previous year to £211,724. The director considers that the group will return to profitability following action taken by him.

The group loss for the year after taxation was £27,738.

The director recommends that no dividend be paid for the year.

The movements in fixed assets are shown in notes 6 and 7 to the accounts.

DIRECTOR AND HIS INTEREST

The director during the year ended 5th April 2000 and his beneficial interests in the share capital of the company throughout the financial year was as follows:-

	<u>£1 Ordinary shares</u>
Mr. F. E. Stratton as trustee	9,500

In accordance with the company's articles of association the sole director, Mr. F. E. Stratton, is not required to retire from office at the Annual General Meeting.

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 state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing those financial statements, the director is required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The director is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

D. F. CAREY (INSURANCE BROKERS) LIMITED

REPORT OF THE DIRECTOR

For the year ended 5th April 2000
(continued)

AUDITORS

A resolution to re-appoint Messrs. Day, Smith & Hunter as auditors will be proposed at the forthcoming Annual General Meeting.

CLOSE COMPANY

D. F. Carey (Insurance Brokers) Limited is a close company within the terms of the Income and Corporation Taxes Act 1988.

BY ORDER OF THE BOARD

M. M. A. Bull

M. M. A. BULL
Secretary

REGISTERED OFFICE
447 Tonbridge Road,
Maidstone,
Kent.

3rd October 2000

D. F. CAREY (INSURANCE BROKERS) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF

D. F. CAREY (INSURANCE BROKERS) LIMITED

We have audited the financial statements on pages 4 to 20 which have been prepared following the accounting policies set out on pages 9 and 10.

Respective responsibilities of the director and auditors

As described on page 1 the company's director is 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 director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's and group'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 affairs of the company and group at 5th April 2000 and of the group loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


DAY, SMITH & HUNTER
Chartered Accountants
Registered Auditors

Star House,
Maidstone,
Kent.

3rd October 2000

D. F. CAREY (INSURANCE BROKERS) LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 5th April 2000

	<u>Notes</u>		<u>5.4.1999</u>
Commissions earned - continuing operations		211,724	207,450
Rents receivable - continuing operations		7,236	7,125
- discontinued operations		790	6,780
		<u>219,750</u>	<u>221,355</u>
(Profit)/loss on sale of property			
- discontinued operations	(522)	4,469	
Property expenses			
- discontinued operations	411	1,935	
Administrative expenses			
- continuing operations	253,728	225,674	
- discontinued operations	881	1,625	
		<u>254,498</u>	<u>233,703</u>
		(34,748)	(12,348)
Other operating income			
- continuing operations		4,500	-
OPERATING LOSS	2,3		
Continuing operations	(30,268)	(11,099)	
Discontinued operations	20	(1,249)	
		<u>(30,248)</u>	<u>(12,348)</u>
Interest receivable		3,186	4,167
		<u>(27,062)</u>	<u>(8,181)</u>
Interest payable and similar charges	4	1,053	7,182
LOSS ON ORDINARY			
ACTIVITIES BEFORE TAXATION		(28,115)	(15,363)
TAXATION	5	(377)	(476)
LOSS FOR THE			
FINANCIAL YEAR	13	<u>£(27,738)</u>	<u>£(14,887)</u>

The notes on pages 9 to 20 form part of these accounts.

D. F. CAREY (INSURANCE BROKERS) LIMITED
NOTE OF HISTORICAL COST PROFITS AND LOSSES

For the year ended 5th April 2000

		<u>5.4.1999</u>
Reported loss on ordinary activities before taxation	(28,115)	(15,363)
Realisation of property revaluation gains of previous years	<u>17,000</u>	<u>19,000</u>
HISTORICAL COST (LOSS)/PROFIT ON ORDINARY ACTIVITIES	<u>£(11,115)</u>	<u>£3,637</u>
HISTORICAL COST (LOSS)/PROFIT RETAINED FOR THE YEAR	<u>£(10,738)</u>	<u>£4,113</u>

The notes on pages 9 to 20 form part of these accounts.

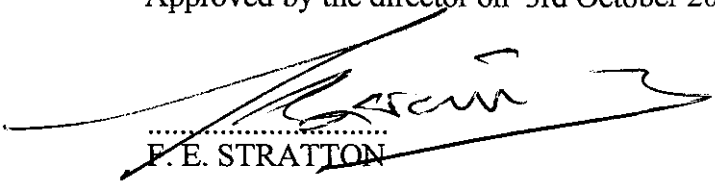
D. F. CAREY (INSURANCE BROKERS) LIMITED

CONSOLIDATED BALANCE SHEET

As at 5th April 2000

	<u>Notes</u>		<u>5.4.1999</u>
FIXED ASSETS			
Tangible fixed assets	6(a)	35,238	117,130
CURRENT ASSETS			
Debtors	8	4,998	5,131
Cash at bank and in hand			
Insurance broking accounts		69,145	83,181
Office accounts		14,368	3,834
		<u>88,511</u>	<u>92,146</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Creditors	9	<u>95,224</u>	<u>155,701</u>
NET CURRENT LIABILITIES		(6,713)	(63,555)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>28,525</u>	<u>53,575</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR 10			
		(3,065)	(-)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	11	(-)	(377)
NET ASSETS		<u>£25,460</u>	<u>£53,198</u>
CAPITAL AND RESERVES			
Called up share capital	12	12,000	12,000
Revaluation reserve	14	-	17,000
Profit and loss account	13	13,460	24,198
SHAREHOLDERS' FUNDS	15	<u>£25,460</u>	<u>£53,198</u>

Approved by the director on 3rd October 2000.


.....
F. E. STRATTON

The notes on pages 9 to 20 form part of these accounts.

D. F. CAREY (INSURANCE BROKERS) LIMITED

PARENT COMPANY BALANCE SHEET

As at 5th April 2000

	<u>Notes</u>		<u>5.4.1999</u>
FIXED ASSETS			
Tangible fixed assets	6(b)	35,238	34,197
CURRENT ASSETS			
Debtors	8	4,816	4,118
Cash at bank and in hand			
Insurance broking accounts		69,145	83,181
Office accounts		14,368	3,756
		<u>88,329</u>	<u>91,055</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Creditors	9	<u>94,636</u>	<u>111,589</u>
NET CURRENT LIABILITIES		<u>(6,307)</u>	<u>(20,534)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>28,931</u>	<u>13,663</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR 10		<u>(3,065)</u>	<u>(-)</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	11	<u>(-)</u>	<u>(377)</u>
NET ASSETS		<u><u>£25,866</u></u>	<u><u>£13,286</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	12,000	12,000
Profit and loss account	13	13,866	1,286
SHAREHOLDERS' FUNDS	15	<u><u>£25,866</u></u>	<u><u>£13,286</u></u>

Approved by the director on 3rd October 2000.


P. E. STRATTON

The notes on pages 9 to 20 form part of these accounts.

D. F. CAREY (INSURANCE BROKERS) LIMITED

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 5th April 2000

	<u>Notes</u>		<u>5.4.1999</u>
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	16	(27,103)	7,467
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest payable and similar charges		(1,053)	(7,182)
Interest receivable		<u>3,186</u>	<u>4,167</u>
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		2,133	(3,015)
TAXATION			
Corporation tax paid		-	(1,295)
CAPITAL EXPENDITURE			
Payments to acquire tangible fixed assets		(15,207)	(18,349)
Receipts from sales of tangible fixed assets		<u>85,076</u>	<u>53,131</u>
NET CASH INFLOW FROM CAPITAL EXPENDITURE		<u>69,869</u>	<u>34,782</u>
NET CASH INFLOW BEFORE FINANCING		44,899	37,939
FINANCING			
Loans advanced in year		10,000	-
Capital element of loan repaid in year		<u>(44,365)</u>	<u>(42,024)</u>
NET CASH OUTFLOW FROM FINANCING		<u>(34,365)</u>	<u>(42,024)</u>
INCREASE/(DECREASE) IN CASH	17	<u>£10,534</u>	<u>£(4,085)</u>

The notes on pages 9 to 20 form part of these accounts.

D. F. CAREY (INSURANCE BROKERS) LIMITED

NOTES TO THE ACCOUNTS

5th April 2000

1. ACCOUNTING POLICIES

a) Accounting convention

The financial statements are prepared under the historical cost convention, modified to include the revaluation of freehold investment properties, and incorporate the results of the activities described in the director's report. The subsidiary company D.F.C. Investments Limited ceased to trade on 28th May 1999. All other activities of the group and company are continuing.

The balance sheet of the group at 5th April 2000 shows net current liabilities of £6,713 and the balance sheet of the company shows net current liabilities of £6,307. The group and company are dependent upon the financial support of the director and, as this support will continue, it is appropriate to prepare the financial statements on a going concern basis.

b) Basis of consolidation

The consolidated financial statements incorporate the results of D. F. Carey (Insurance Brokers) Limited and its subsidiary D.F.C. Investments Limited.

All inter-company transfers have been eliminated on consolidation.

A profit and loss account is not presented in respect of the holding company as provided by S.230 of the Companies Act 1985.

c) Commission earned

Commission represents net amounts actually credited to the group and the company during the year by its principals.

d) Rents receivable

Rents receivable represent the income receivable during the year from the group's investment properties.

D. F. CAREY (INSURANCE BROKERS) LIMITED

NOTES TO THE ACCOUNTS

5th April 2000

(continued)

1. ACCOUNTING POLICIES (continued)

e) Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold investment properties, at annual rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:-

Improvements to leasehold property	-	10% on straight line basis
Office equipment		
Computer equipment	-	20% straight line basis
Other equipment	-	20% on written down value
Motor vehicles	-	25% on written down value

f) Freehold investment properties

In accordance with Statement of Standard Accounting Practice No. 19 freehold investment properties are revalued annually and any surplus or deficit is transferred to a revaluation reserve and no depreciation is provided. The director considers that this accounting policy results in the accounts giving a true and fair view.

g) Hire purchase contracts

Hire purchase contracts are capitalised at their estimated fair value at the date of inception of each contract. The finance charges are allocated over the period of the agreement by applying a constant rate of charge on the outstanding balance.

h) Deferred taxation

Deferred taxation is provided at year end rates where corporation tax is deferred through certain fixed assets being written down more rapidly for tax purposes than in the accounts. No provision is made for timing differences which are not expected to reverse within the foreseeable future and revaluations.

i) Operating leases

The rentals payable under operating leases are charged on a straight line basis over the lease term.

j) Pension costs

The company operates defined contribution pension schemes. The pension costs charged to the profit and loss account are the amount of the contributions paid in respect of the particular year.

D. F. CAREY (INSURANCE BROKERS) LIMITED

NOTES TO THE ACCOUNTS

5th April 2000

(continued)

2. OPERATING LOSS

This is stated after charging the following:-

	<u>5.4.2000</u>	<u>5.4.1999</u>
Depreciation less profit on disposal of owned assets	12,023	12,135
Director's emoluments - salary and benefits	52,214	37,835
- pension contributions	20,578	10,661
Auditors' remuneration - audit	9,106	8,896
- other services	-	2,778
Operating lease rentals - land and buildings	19,500	19,500
- equipment	165	165
	<u> </u>	<u> </u>

The sole director is accruing retirement benefits under defined contribution pension schemes in respect of his qualifying service.

3. STAFF COSTS (including director)

	<u>5.4.2000</u>	<u>5.4.1999</u>
Wages and salaries	125,770	116,071
Social security costs	11,784	12,144
Other pension costs	26,954	16,621
Benefits in kind	1,226	1,202
	<u>£165,734</u>	<u>£146,038</u>

The average number of employees was as follows:-

	<u>Number</u>	<u>Number</u>
Office and management	2	2
Insurance broking	5	5
	<u>7</u>	<u>7</u>

The company operates defined contribution pension schemes and the assets of the schemes are held separately from those of the company in independently administered funds. The other pension costs represent contributions payable by the company to the funds and amounted to £26,954 (1999 - £16,621).

D. F. CAREY (INSURANCE BROKERS) LIMITED

NOTES TO THE ACCOUNTS

5th April 2000
(continued)

4. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>5.4.2000</u>	<u>5.4.1999</u>
On bank loans, overdraft, mortgages and other loan:-		
Repayable within five years	1,053	7,148
Other finance charges	-	34
	<u>£1,053</u>	<u>£7,182</u>

5. TAXATION

	<u>5.4.2000</u>	<u>5.4.1999</u>
Corporation tax recoverable at 21% based on the results for the year	-	(834)
Deferred taxation	(377)	309
Under provision for prior period	-	49
	<u>£(377)</u>	<u>£(476)</u>

D. F. CAREY (INSURANCE BROKERS) LIMITED

NOTES TO THE ACCOUNTS

5th April 2000
(continued)

6. TANGIBLE FIXED ASSETS

(a) GROUP

	Freehold investment properties	Improvements to leasehold property	Office equipment	Motor vehicles	Total
<u>Cost or valuation</u>					
At 6th April 1999	82,000	4,666	70,959	33,450	191,075
Additions	-	-	7,612	7,595	15,207
Disposals	(82,000)	-	(12,071)	(2,600)	(96,671)
At 5th April 2000	-	4,666	66,500	38,445	109,611
<u>Depreciation</u>					
At 6th April 1999	-	2,792	59,574	11,579	73,945
Charge for the year	-	466	4,850	6,879	12,195
On disposals	-	-	(11,117)	(650)	(11,767)
At 5th April 2000	-	3,258	53,307	17,808	74,373
<u>Net book value</u>					
At 5th April 2000	£-	£1,408	£13,193	£20,637	£35,238
At 5th April 1999	£82,000	£1,874	£11,385	£21,871	£117,130

For the freehold investment properties included at valuation:-

Historical cost	
At 6th April 1999	85,319
Disposals	(85,319)
At 5th April 2000	£-

D. F. CAREY (INSURANCE BROKERS) LIMITED

NOTES TO THE ACCOUNTS

5th April 2000

(continued)

6. TANGIBLE FIXED ASSETS (continued)

(b) COMPANY

	Improvements to leasehold property	Office equipment	Motor vehicles	Total
<u>Cost</u>				
At 6th April 1999	4,666	58,888	33,450	97,004
Additions	-	7,612	7,595	15,207
Disposals	-	-	(2,600)	(2,600)
At 5th April 2000	4,666	66,500	38,445	109,611
<u>Depreciation</u>				
At 6th April 1999	2,792	48,436	11,579	62,807
Charge for the year	466	4,871	6,879	12,216
On disposals	-	-	(650)	(650)
At 5th April 2000	3,258	53,307	17,808	74,373
<u>Net book value</u>				
At 5th April 2000	£1,408	£13,193	£20,637	£35,238
At 5th April 1999	£1,874	£10,452	£21,871	£34,197

D. F. CAREY (INSURANCE BROKERS) LIMITED

NOTES TO THE ACCOUNTS

5th April 2000
(continued)

7. INVESTMENTS

	<u>5.4.2000</u>	<u>5.4.1999</u>
COMPANY		
SHARES IN GROUP UNDERTAKINGS		
D.F.C. Investments Limited		
100 Ordinary £1 shares at cost	100	100
Provision against amount not recoverable	(100)	(100)
	<u>£-</u>	<u>£-</u>

D.F.C. Investments Limited is a wholly owned subsidiary incorporated in England. It operated as a property investment company in the U.K. until 28th May 1999 when it ceased to trade.

8. DEBTORS

	<u>Group</u>		<u>Company</u>	
	<u>5.4.2000</u>	<u>5.4.1999</u>	<u>5.4.2000</u>	<u>5.4.1999</u>
Other debtors	2,046	2,134	1,864	1,254
Prepayments	2,952	2,997	2,952	2,864
	<u>£4,998</u>	<u>£5,131</u>	<u>£4,816</u>	<u>£4,118</u>

9. CREDITORS

	<u>Group</u>		<u>Company</u>	
	<u>5.4.2000</u>	<u>5.4.1999</u>	<u>5.4.2000</u>	<u>5.4.1999</u>
Bank loans	-	42,702	-	-
Other loan	5,272	-	5,272	-
Other creditors	20,561	23,992	19,973	22,582
Amounts held for insurance companies and other credit balances	69,391	84,280	69,391	84,280
Director's current account	-	4,727	-	4,727
	<u>£95,224</u>	<u>£155,701</u>	<u>£94,636</u>	<u>£111,589</u>

D. F. CAREY (INSURANCE BROKERS) LIMITED

NOTES TO THE ACCOUNTS

5th April 2000
(continued)

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>Group</u>		<u>Company</u>	
	<u>5.4.2000</u>	<u>5.4.1999</u>	<u>5.4.2000</u>	<u>5.4.1999</u>
Pension fund loans wholly repayable within five years by instalments	<u>£3,065</u>	<u>£-</u>	<u>£3,065</u>	<u>£-</u>

	<u>Group</u>		<u>Company</u>	
	<u>5.4.2000</u>	<u>5.4.1999</u>	<u>5.4.2000</u>	<u>5.4.1999</u>
Bank and other loans:				
Amounts payable:				
In one year or less or on demand	5,272	42,702	5,272	-
Between one and two years	3,065	-	3,065	-
	<u>£8,337</u>	<u>£42,702</u>	<u>£8,337</u>	<u>£-</u>

11. DEFERRED TAXATION

Deferred taxation provided in the accounts is as follows:-

	<u>Group & company</u>	
	<u>5.4.2000</u>	<u>5.4.1999</u>
Accelerated capital allowances	<u>£-</u>	<u>£377</u>
Deferred taxation movements:		
Balance at 6th April 1999	377	68
Transfer (to)/from profit and loss account	(377)	309
Balance at 5th April 2000	<u>£-</u>	<u>£377</u>

12. CALLED UP SHARE CAPITAL

	<u>5.4.2000</u>	<u>5.4.1999</u>
Authorised, allotted, issued and fully paid:-		
12,000 ordinary shares of £1 each	<u>£12,000</u>	<u>£12,000</u>

D. F. CAREY (INSURANCE BROKERS) LIMITED

NOTES TO THE ACCOUNTS

5th April 2000
(continued)

13. PROFIT AND LOSS ACCOUNT

(a) Group

	<u>5.4.2000</u>	<u>5.4.1999</u>
At 6th April 1999	24,198	20,085
Transfer of realised surplus on disposal of revalued asset	17,000	19,000
Loss for the year	<u>(27,738)</u>	<u>(14,887)</u>
At 5th April 2000	<u>£13,460</u>	<u>£24,198</u>

(b) Company

	<u>5.4.2000</u>	<u>5.4.1999</u>
At 6th April 1999	1,286	7,531
Profit/(loss) for the year	<u>12,580</u>	<u>(6,245)</u>
At 5th April 2000	<u>£13,866</u>	<u>£1,286</u>

14. REVALUATION RESERVE

	<u>5.4.2000</u>	<u>5.4.1999</u>
At 6th April 1999	17,000	36,000
Transfer of realised surplus on disposal of revalued asset	<u>(17,000)</u>	<u>(19,000)</u>
At 5th April 2000	<u>£-</u>	<u>£17,000</u>

D. F. CAREY (INSURANCE BROKERS) LIMITED

NOTES TO THE ACCOUNTS

5th April 2000
(continued)

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>5.4.2000</u>	<u>5.4.1999</u>
(a) Group		
Opening shareholders' funds	53,198	68,085
Loss for the financial year	(27,738)	(14,887)
Closing shareholders' funds	<u>£25,460</u>	<u>£53,198</u>
(b) Company		
Opening shareholders' funds	13,286	19,531
Profit/(loss) for the financial year	12,580	(6,245)
Closing shareholders' funds	<u>£25,866</u>	<u>£13,286</u>

16. RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	<u>5.4.2000</u>	<u>5.4.1999</u>
		<u>Group</u>
Operating loss	(30,248)	(12,348)
Depreciation less profit on disposal	12,023	12,135
Decrease in debtors	133	486
(Decrease)/increase in creditors	(8,158)	9,047
Net decrease in deficit on insurance broking accounts	(853)	(1,853)
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	<u>£(27,103)</u>	<u>£7,467</u>

NOTES TO THE ACCOUNTS

5th April 2000
(continued)

17. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN
NET DEBT AS SHOWN IN THE BALANCE SHEET

	At <u>5.4.1999</u>	Cash flows	At <u>5.4.2000</u>
Cash at bank and in hand - office accounts	3,834	10,534	14,368
Bank loans:			
Due within one year	(42,702)	42,702	-
Other loans:			
Due within one year	-	(5,272)	(5,272)
Due after one year	-	(3,065)	(3,065)
	<u>£(38,868)</u>	<u>£44,899</u>	<u>£6,031</u>

18. FINANCIAL COMMITMENTS

The company had annual commitments under non-cancellable operating leases as follows :-

	<u>5.4.2000</u>	<u>5.4.1999</u>
Land and buildings		
Expiry in two to five years	7,500	7,500
Expiry in over five years	12,000	12,000
	<u>£19,500</u>	<u>£19,500</u>

NOTES TO THE ACCOUNTS

5th April 2000

(continued)

19. RELATED PARTY TRANSACTIONS

The company is controlled by the director, Mr. F. E. Stratton, by virtue of his trusteeship of issued shares of the company.

The company paid £520 (1999 - £530) to the director in respect of the rent of office and garage premises.

During the year the group paid loan interest totalling £155 (1999 - £2,148) to the F. E. Stratton Pension Fund of which Mr. F. E. Stratton is a trustee. At 5th April 2000, there was an outstanding loan balance of £8,337 (1999 - £Nil).

The group occupies property which is owned by the F. E. Stratton Pension Fund and rent paid for the year ended 5th April 2000 amounted to £19,500 (1999 - £19,500).

The group received management charges of £4,500 (1999 - £Nil) during the year from Frederick E. Stratton & Company Limited, a company under the common control of the director.