

BIANCO SALE LIMITED

Report and Unaudited Financial Statements

Period Ended

31 August 2002



BDO Stoy Hayward
Chartered Accountants

BIANCO SALE LIMITED

Report and financial statements for the period ended 31 August 2002

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Director

A Sale

Secretary and registered office

L Sale, Connaught House, Alexandra Terrace, Guildford, Surrey, GU1 3DA

Company number

3646898

Accountants

BDO Stoy Hayward, Connaught House, Alexandra Terrace
Guildford, Surrey, GU1 3DA

Bankers

Barclays Bank Plc, 1 North End Road, Croydon, Surrey

BIANCO SALE LIMITED

Report of the director for the period ended 31 August 2002

The director presents his report together with the financial statements for the period ended 31 August 2002.

Results

The profit and loss account is set out on page 3 and shows the profit for the period.

Principal activities

The company's principal activity is to act as consulting engineers and international building consultants. The company commenced trading on 1 September 2001 when the trade of its subsidiary company Bianco Associates Limited was hived up.

Director

The director of the company during the period and his interest in the ordinary share capital of the company was:

	Ordinary £1 shares	
	31 August 2002	1 April 2001
A Sale	100	100

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



L SALE

Secretary

5 February 2003

BIANCO SALE LIMITED**Profit and loss account for the 17 months ended 31 August 2002**

	Note	17 months ended 31 August 2002 £	Year ended 31 March 2001 £
Turnover	2	589,598	-
Net operating costs	3	356,040	-
		<hr/>	<hr/>
Operating profit	4	233,558	-
Interest payable and similar charges		(287)	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		233,271	-
Taxation on profit on ordinary activities	5	14,537	-
		<hr/>	<hr/>
Profit on ordinary activities after taxation		218,734	-
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses in the current period and prior year are included in the profit and loss account.

There are no movements in shareholders' funds in the current period and prior year apart from the profit for the period/year.

The notes on pages 6 to 12 form part of these financial statements.

BIANCO SALE LIMITED**Balance sheet at 31 August 2002**

	Note	31 August 2002 £	31 August 2002 £	31 March 2001 £	31 March 2001 £
Fixed assets					
Intangible assets	6		18,996		-
Tangible assets	7		12,343		-
Fixed asset investments	8		1,004		21,000
			<hr/>		<hr/>
			32,343		21,000
Current assets					
Debtors	9	366,193		-	
Cash at bank and in hand		7,586		-	
		<hr/>		<hr/>	
		373,779		-	
Creditors: amounts falling due within one year	10	187,288		20,900	
		<hr/>		<hr/>	
Net current assets/(liabilities)			186,491		(20,900)
			<hr/>		<hr/>
Total assets less current liabilities			218,834		100
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	11		100		100
Profit and loss account	12		218,734		-
			<hr/>		<hr/>
Equity shareholders' funds			218,834		100
			<hr/>		<hr/>

The director has taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirms that no notice has been deposited under section 249B(2) of the Companies Act 1985.

The director acknowledges her responsibility for:

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 August 2002 and of its profit for the period then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The notes on pages 6 to 12 form part of these financial statements.

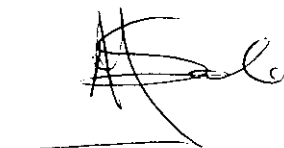
BIANCO SALE LIMITED

Balance sheet at 31 August 2002 (Continued)

The financial statements were approved by the director on

5th February 2003

A Sale

A handwritten signature in black ink, appearing to be 'A Sale', written over a horizontal line.

The notes on pages 6 to 12 form part of these financial statements.

BIANCO SALE LIMITED

Notes forming part of the financial statements for the 17 months ended 31 August 2002

1 Accounting policies

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

The following principal accounting policies have been applied:

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 1985.

Goodwill

Goodwill arising on an acquisition of Bianco Associates Limited is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. It is capitalised and amortised through the profit and loss account over the director's estimate of its useful economic life which is 20 years.

Turnover

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, except for investment properties, freehold land and certain buildings, evenly over their expected useful lives. It is calculated at the following rates:

Equipment, fixtures & fittings - 25% on a straight line basis per annum

Operating Lease

Rentals are charged to the profit and loss account in equal annual amounts over the term of the lease.

2 Turnover

None of the company's turnover in the current period and prior years is attributable to markets outside the United Kingdom.

BIANCO SALE LIMITEDNotes forming part of the financial statements for the 17 months ended 31 August 2002 (*Continued*)**3 Net operating costs**

	17 months ended 31 August 2002 £	ended 31 March 2001 £
Decrease in stocks of finished goods and work in progress	4,335	-
Raw materials and consumables	94,131	-
Staff costs	262,954	-
Depreciation and other amounts written off fixed assets	8,156	-
Other operating income	(180,126)	-
Other operating charges	166,590	-
	<u>356,040</u>	<u>-</u>

4 Operating profit

	17 months ended 31 August 2002 £	Year ended 31 March 2001 £
This is arrived at after charging:		
Depreciation of tangible fixed assets	8,156	-
Amortisation of positive goodwill	1,000	-
	<u>9,156</u>	<u>-</u>

5 Taxation on profit on ordinary activities

	17 months ended 31 August 2002 £	Year ended 31 March 2001 £
<i>UK Corporation tax</i>		
Current tax on profits of the period	13,676	-
Adjustment in respect of previous periods	861	-
	<u>14,537</u>	<u>-</u>

BIANCO SALE LIMITED

Notes forming part of the financial statements for the 17 months ended 31 August 2002 (*Continued*)

5 Taxation on profit on ordinary activities (*Continued*)

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	17 months ended 31 August 2002 £	Year ended 31 March 2001 £
Profit on ordinary activities before tax	233,271	-
Profit on ordinary activities at the standard rate of corporation tax in the UK of 20% / 30% (2001 - Nil)	56,881	-
Effect of:		
Expenses not deductible for tax purposes	(2,499)	-
Capital allowances for period in excess of depreciation	(499)	-
Other adjustments	(39,346)	-
Current tax charge for period	14,537	-

6 Intangible assets

	Purchased goodwill £
<i>Cost or valuation</i>	
Additions and at 31 August 2002	19,996
<i>Amortisation</i>	
Provided for the period and at 31 August 2002	1,000
<i>Net book value</i>	
At 31 August 2002	18,996
At 31 March 2001	-

BIANCO SALE LIMITEDNotes forming part of the financial statements for the 17 months ended 31 August 2002 (*Continued*)**7 Tangible fixed assets**

	Equipment, fixtures and fittings £
<i>Cost</i>	
Additions	14,956
Transfers	17,668
	<hr/>
At 31 August 2002	32,624
	<hr/>
<i>Depreciation</i>	
Provided for the period	8,156
Transfers	12,125
	<hr/>
At 31 August 2002	20,281
	<hr/>
<i>Net book value</i>	
At 31 August 2002	12,343
	<hr/>
At 31 March 2001	-
	<hr/>

8 Fixed asset investments

	Other investments £
<i>Cost or valuation</i>	
At 1 April 2001	21,000
Disposals	(19,996)
	<hr/>
At 31 August 2002	1,004
	<hr/>
<i>Net book value</i>	
At 31 August 2002	1,004
	<hr/>
At 31 March 2001	21,000
	<hr/>

BIANCO SALE LIMITED

Notes forming part of the financial statements for the 17 months ended 31 August 2002 (*Continued*)

9 Debtors

	31 August 2002 £	31 March 2001 £
Trade debtors	73,519	-
Other debtors	292,674	-
	<u>366,193</u>	<u>-</u>

All amounts shown under debtors fall due for payment within one year.

10 Creditors: amounts falling due within one year

	31 August 2002 £	31 March 2001 £
Trade creditors	148,021	-
Taxation and social security	31,340	-
Other creditors	7,927	20,900
	<u>187,288</u>	<u>20,900</u>

11 Share capital

	31 August 2002 £	Authorised 31 March 2001 £	Allotted, called up and fully paid 31 August 2002 £	31 March 2001 £
<i>Equity share capital</i>				
100 ordinary shares of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

BIANCO SALE LIMITED

Notes forming part of the financial statements for the 17 months ended 31 August 2002 (*Continued*)

12 Reserves

	Profit and loss account £
At 1 April 2001	-
Profit for the period	218,734
	<hr/>
At 31 August 2002	218,734
	<hr/>

13 Reconciliation of movements in shareholders' funds

	17 months ended 31 August 2002 £	Year ended 31 March 2001 £
Profit for the period	218,734	-
Opening shareholders' funds	100	100
	<hr/>	<hr/>
Closing shareholders' funds	218,834	100
	<hr/>	<hr/>

14 Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below:

	31 August 2002 Land and buildings £	31 March 2001 Land and buildings £
Operating leases which expire:		
After five years	30,000	30,000
	<hr/>	<hr/>

BIANCO SALE LIMITED

Notes forming part of the financial statements for the 17 months ended 31 August 2002 (*Continued*)

15 Related party disclosures

	Management charges to related party	Purchases from related party	Amounts owed by related party
	£	£	£
2002			
Andrew Sale Associates	90,000	261	143,357
Longacre Limited	106,000	-	131,557
Bianco Associates Limited	-	-	(1,004)
2001			
Andrew Sale Associates	-	-	(20,900)
	<u> </u>	<u> </u>	<u> </u>

A.J Sale is a director of Bianco Associates Limited, Longacre Limited and Bianco Sale Limited and the proprietor of Andrew Sale Associates. The intercompany loans are under normal trade terms.