

CONICDROP LIMITEDCOMPANY NO. 1308818REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report together with the audited accounts of the company for the year to 31st May 1995.

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 or 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 the 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.

Principal Activities and Business Review

The company carries on the business of speculative Builders, Developers and Subcontractors to the Building Industry.

The directors consider that the state of the company's affairs is satisfactory.

Results and Dividends

The results of operations for the year to 31st May 1995 are set out in the Profit and Loss Account.

No Dividends are proposed.

Fixed Assets

The acquisition and disposal of tangible assets during the the year can be found in Note 7 of the financial statements.



CONICDROP LIMITEDREPORT OF THE DIRECTORSPost Balance Sheet Events

There have been no major events affecting the Company since the date of the Balance Sheet.

Directors

The directors who served during the year to 31st May 1995 together with their interests in the Issued Share Capital, were as follows:-

	<u>1995</u>	<u>1994</u>
W. G. Price, Esq.	500	500
Mrs. S. J. Price	-	-

Close Company Status

The company is a close company within the provisions of section 414 of the Income and Corporation Taxes Act 1988.

Auditors

In accordance with Section 385 of the Companies Act 1985 a resolution proposing that Messrs. Baldwin & Co be re-appointed auditors of the company will be put to the annual general meeting.

By order of the Board

S. J. Price

 Mrs S. J. Price (Secretary)

PENNWOOD LODGE
 PENNWOOD LANE
 PENN
 WOLVERHAMPTON

18th September 1995

AUDITORS' REPORT TO THE SHAREHOLDERS OF
CONICDROP LIMITED

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We have audited the financial statements set out on pages 4 to 11.

Respective responsibilities of directors and auditors

As described on page 1 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.

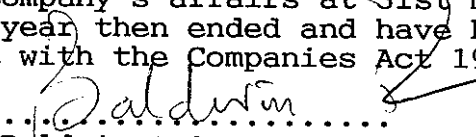
Basis of opinion

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 at 31st May 1995 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


.....
Baldwin & Co
Certified Accountants
Registered Auditors

49 Wellington Road,
Bilston, West Midlands.
WV14 6AH

18th September 1995

PROFIT AND LOSS ACCOUNT

YEAR TO 31ST MAY 1995

	Note	1995 £	1994 £
TURNOVER	2	22,500	20,000
COST OF SALES		(1,218)	(346)
GROSS PROFIT		21,282	19,654
Administrative Expenses		(30,435)	(31,479)
OPERATING LOSS	4	(9,153)	(11,825)
Other Interest Receivable and Similar Income		9,508	12,429
Interest Payable and Similar Charges	3	-	(109)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		355	495
Tax on Profit on Ordinary Activities	6	(90)	(135)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		265	360
RETAINED PROFIT BROUGHT FORWARD		177,765	177,405
RETAINED PROFIT CARRIED FORWARD		£ 178,030	£ 177,765

The Profit and Loss Account reflects continuing operations only, none of the company's activities were acquired or discontinued during the year.

The Company made no recognised gains or losses in 1994 or 1995, other than the profits reflected above, and therefore no separate statement of total recognised gains or losses has been presented.

There is no difference between the profit on ordinary activities before Taxation and the Retained Profit for the year stated above and their Historical Cost equivalents.

BALANCE SHEET AS AT
31ST MAY 1995

	Note	<u>1995</u>		<u>1994</u>	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	7		202		239
Investments	8		1,989		1,989
			<u>2,191</u>		<u>2,228</u>
CURRENT ASSETS					
Stocks	9	252,000		221,500	
Debtors		980		-	
Cash at Bank and in Hand		3,051		12,553	
		<u>256,031</u>		<u>234,053</u>	
CREDITORS: Amounts falling due within one year	10	(79,142)		(57,441)	
NET CURRENT ASSETS			<u>176,889</u>		<u>176,612</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			179,080		178,840
PROVISIONS FOR LIABILITIES AND CHARGES					
	11		(50)		(75)
			<u>£ 179,030</u>		<u>£ 178,765</u>
CAPITAL AND RESERVES					
Called-up Share Capital	12		1,000		1,000
Profit and Loss Account	13		178,030		177,765
Equity Shareholders Funds	14	£	<u>179,030</u>	£	<u>178,765</u>

The Financial Statements on pages 4 to 11 were approved by the Board of Directors on 18th September 1995 and were signed on its behalf by :-

.....
W. G. Price (Director)

18th September 1995

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 31ST MAY 1995

1.Accounting Policies

The Accounts have been prepared under the Historical Cost Convention

Turnover

Turnover represents the total amount receivable by the Company in the ordinary course of business for work performed during the year.

Depreciation

Depreciation is calculated to write off the book value of each tangible fixed asset over its expected useful life on a reducing balance basis at the following annual rates:-

Plant and Machinery	15%
Fixtures and Fittings	20%

Stock

Stock is stated at the lower of cost or net realisable value.

Deferred Taxation

Provision is made under the liability method to take account of the timing differences arising from the differing treatment of Depreciation for Accounting and Taxation purposes.

Cash Flow Statement

The company has taken advantage of the exemption in Financial Reporting Standard No. 1, from producing a Cash Flow Statement, on the grounds that it is a Small Company.

2.Turnover and Profit Analysis

All the Turnover and Profit on Ordinary Activities was wholly attributable to the Principal Activity of the Company.

All the Turnover was earned in the United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS

YEAR TO 31ST MAY 1995

3. Interest Payable and Similar Charges

	<u>1995</u>	<u>1994</u>
	£	£
Bank Interest and Charges	-	109
	<u>£ -</u>	<u>£ 109</u>

4. Profit on Ordinary Activities before Taxation

Profit on ordinary activities before taxation is stated after charging:-

	<u>1995</u>	<u>1994</u>
	£	£
Depreciation	37	44
Auditors Remuneration	800	1,025

5. Staff Costs

Particulars of employees (including Directors) are as follows:-

Employee costs during the year to 31st May 1995 amounted to:-

	<u>1995</u>	<u>1994</u>
	£	£
Wages and Salaries	20,000	25,000
Social Security Costs	2,040	2,550
Other Pension Costs	5,000	-

Only Subcontract labour was used.

Directors remuneration all of which is included above is made up of:-

	<u>1995</u>	<u>1994</u>
	£	£
Directors Emoluments	20,000	25,000
Social Security Costs	2,040	2,550
Other Pension Costs	5,000	-

NOTES TO THE FINANCIAL STATEMENTS

YEAR TO 31ST MAY 1995

6. Tax on Profit on Ordinary Activities

The tax charge is based on the profit and comprises:-

	<u>1995</u>	<u>1994</u>
	£	£
U.K. Corporation Tax Charge	115	135
Transfer from Deferred Taxation	(25)	-
	<u>£ 90</u>	<u>£ 135</u>

7. Tangible Assets

	<u>Fixtures and Fittings</u>	<u>Plant and Machinery</u>	<u>Total</u>
	£	£	£
<u>Cost</u>			
At 1st June 1994	1,124	2,511	3,635
Additions	-	-	-
Disposals	-	-	-
At 31st May 1995	<u>1,124</u>	<u>2,511</u>	<u>3,635</u>

Depreciation

At 1st June 1994	1,102	2,294	3,396
Charge	4	33	37
Disposals	-	-	-
At 31st May 1995	<u>1,106</u>	<u>2,327</u>	<u>3,433</u>

Net Book Values

At 1st June 1994	£ 22	£ 217	£ 239
At 31st May 1995	<u>£ 18</u>	<u>£ 184</u>	<u>£ 202</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR TO 31ST MAY 19958. Investments

	<u>1995</u>	<u>1994</u>
	£	£
2,500 Dares Estates Ordinary 5p Shares	<u>1,989</u>	<u>1,989</u>
NB. Market Value at 31.5.1995	<u>£ 112</u>	

9. Stocks

	<u>1995</u>	<u>1994</u>
	£	£
Raw Materials	<u>252,000</u>	<u>221,500</u>
	£ <u>252,000</u>	£ <u>221,500</u>

10. Creditors

Amounts falling due within one year:-

	<u>1995</u>	<u>1994</u>
	£	£
Trade Creditors	-	329
Due to Related Companies	42,979	16,527
Other Creditors	12,129	8,629
Directors Fees	20,000	25,000
Social Security and Taxation	3,119	3,634
Accruals	800	1,947
Corporation Tax	115	1,375
	<u>£ 79,142</u>	<u>£ 57,441</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR TO 31ST MAY 1995

11. Provisions for Liabilities and Charges

Deferred Taxation provided for in these Financial Statements:-

	<u>1995</u>	<u>1994</u>
	£	£
Deferred Taxation	50	75
	<u>£ 50</u>	<u>£ 75</u>

12. Called-up Share Capital

	<u>1995</u>	<u>1994</u>
	£	£
Authorised:-		
1,000 Ordinary Shares of £1 each	1,000	1,000
Issued and fully paid:-		
1,000 Ordinary Shares of £1 each	1,000	1,000

13. Reserves

	<u>Profit & Loss Account</u>
	£
Balance as at 1st June 1994	177,765
Retained Profit for the year	265
Balance as at 31st May 1995	<u>178,030</u>

NOTES TO THE FINANCIAL STATEMENTSYEAR TO 31ST MAY 199514.Reconciliation of Movement in Shareholders Funds

	<u>1995</u>	<u>1994</u>
	<u>£</u>	<u>£</u>
	<u>-</u>	<u>-</u>
Profit for the year	265	360
Shareholders Funds at 1st June 1994	178,765	178,405
Shareholders Funds at 31st May 1995	<u>179,030</u>	<u>178,765</u>

15.Capital Commitments

There were no Capital Commitments at the Balance Sheet date.

16.Contingent Liabilities

There were no Contingent Liabilities at the Balance Sheet date.

17.Pension Commitments

The Company had no Pension Commitments to past or present employees at Balance Sheet date.