

Company Number: 01862342

**EDC International Limited**  
**Abbreviated Financial Statements**  
**for the year ended 31st December 1999**



## **Auditors' Report to EDC International Limited under Section 247B of the Companies Act 1985**

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We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 31st December 1999 prepared under section 226 of the Companies Act 1985.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

### **Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

*BKR Haines Watts*

**BKR Haines Watts  
Chartered Accountants  
and Registered Auditors**

**7-11 Station Road**

**Reading**

**Berkshire**

**RG1 1LG**

**2nd January 2001**

**EDC International Limited**

**Abbreviated Balance Sheet**

**As At 31st December 1999**

	Notes	1999 £	1999 £	1998 £	1998 £
<b>Fixed Assets</b>					
Tangible fixed assets			134,017		119,785
<b>Current Assets</b>					
Stock		181,157		209,891	
Debtors		216,898		229,537	
Cash at bank		56,811		63	
		454,866		439,491	
<b>Creditors:</b>					
Amounts falling due within one year		(375,192)		(441,950)	
<b>Net Current Assets/(Liabilities)</b>			79,674		(2,459)
<b>Total Assets Less Current Liabilities</b>			213,691		117,326
<b>Creditors:</b>					
Amounts falling due after more than one year			(315,719)		(246,484)
<b>Provisions for Liabilities and Charges</b>					
Deferred taxation			-		(3,000)
			(102,028)		(132,158)
<b>Capital and Reserves</b>					
Share capital	2		2		2
Revaluation reserve			47,902		47,902
Profit and loss account			(149,932)		(180,062)
			(102,028)		(132,158)

**EDC International Limited**

**Abbreviated Balance Sheet**

**As At 31st December 1999**

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Notes	1999 £	1999 £	1998 £	1998 £
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These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

The accounts were approved by the board on .

**21 DEC 2000**

*✓ RWA*

..... Mr V Head

*[Signature]*

..... Mr G Hooper

**Directors**

**1 Principal Accounting Policies**

***Accounting Convention***

The financial statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention, modified to include the revaluation of certain fixed assets.

***Going Concern***

In July 1997 a fellow subsidiary was placed into administrative receivership resulting in EDC International Limited undertaking borrowings at that time of approximately £350,000. Since that date EDC International Limited has continued to trade profitably and service the additional debt but at the balance sheet date the company had a deficit of net assets of £102,028. The company's future activities continue to be dependent upon support from the directors, and its ability to trade profitably and therefore to keep within the bank facility, service borrowing and make loan repayments as they fall due. The directors are very pleased with trading results since the year end and are confident that the company will remain profitable and consider that it is appropriate to prepare the financial statements on the going concern basis.

If the company were unable to continue as a going concern, the financial statements would have to be adjusted to provide for any additional losses or liabilities that may arise, to write down assets to their recoverable amounts and to reclassify fixed assets and long term creditors as current assets and current liabilities.

***Cash Flow Statement***

In the opinion of the directors the company qualifies as a small company and accordingly a cash flow statement is not required.

***Turnover***

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

***Depreciation***

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The rates generally applicable are:

Leasehold land and buildings	straight line over the period of the lease
Plant and machinery	15% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	15% reducing balance

***Stocks***

Stocks are stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. The cost of work in progress and finished goods includes all production overheads and depreciation and the attributable proportion of indirect overheads based on the normal level of activity. Net realisable value is based on estimated selling price less the estimated cost of disposal.

## Notes to the Abbreviated Accounts

for the year ended 31st December 1999

**Deferred Taxation**

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

**Foreign Currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

**Contribution to Pension Funds**

The company contributes to a group personal pension scheme on behalf of its employees.

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

**Leased Assets**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

**2 Share Capital**

Authorised	1999 £	1998 £
1,000 Ordinary shares of £1 each (1998: 1,000)	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
 Allotted, called up and fully paid	 1999 £	 1998 £
2 Ordinary shares of £1 each (1998: 2)	2	2
	<u>2</u>	<u>2</u>