

Company Registration No. 2503494 (England and Wales)

ELMRAY LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997



ELMRAY LIMITED

COMPANY INFORMATION

Director

R H Eaton-Williams

Secretary

S M Chatburn

Company number

2503494

Registered office

Four Elms Road
Edenbridge
Kent

Accountants

Knill James
78 High Street
Lewes
East Sussex

Business address

Four Elms Road
Edenbridge
Kent

ELMRAY LIMITED

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ELMRAY LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 1997

The director presents his report and financial statements for the year ended 31 March 1997.

Principal activities

The principal activity of the company is that of the provision of management consultancy and other services.

Director

The following director has held office since 1 April 1996:

R H Eaton-Williams

Director's interests

The director's beneficial interest in the shares of the company was as stated below:

	Ordinary shares of £1 each	
	31 March 1997	1 April 1996
R H Eaton-Williams	1,000	1,000

	Redeemable shares of £1 each	
	31 March 1997	1 April 1996
R H Eaton-Williams	520,000	520,000

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



S M Chatburn

Secretary

17 November 1997

ELMRAY LIMITED

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS OF ELMRAY LIMITED

We report on the accounts for the year ended 31 March 1997 set out on pages 3 to 9.

Respective responsibilities of the director and reporting accountants

As described on page 5 the company's director is responsible for the preparation of the accounts, and he considers that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



Knill James

Chartered Accountants
Reporting Accountants

20 November 1997

78 High Street
Lewes
East Sussex

ELMRAY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1997

	Notes	1997 £	1996 £
Turnover		106,307	82,389
Administrative expenses		(96,087)	(85,231)
Operating profit/(loss)	2	10,220	(2,842)
Investment income		-	(8,923)
Other interest receivable and similar income	3	2	47
Profit/(loss) on ordinary activities before taxation		10,222	(11,718)
Tax on profit/(loss) on ordinary activities	4	(1,390)	(2,786)
Profit/(loss) on ordinary activities after taxation	10	8,832	(14,504)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

ELMRAY LIMITED

BALANCE SHEET AS AT 31 MARCH 1997

	Notes	1997 £	£	1996 £	£
Fixed assets					
Tangible assets	5		449,144		457,169
Current assets					
Debtors	6	39,703		60,525	
Cash at bank and in hand		4,025		4,970	
		<u>43,728</u>		<u>65,495</u>	
Creditors: amounts falling due within one year	7	<u>(206,813)</u>		<u>(245,437)</u>	
Net current liabilities			<u>(163,085)</u>		<u>(179,942)</u>
Total assets less current liabilities			<u>286,059</u>		<u>277,227</u>
Capital and reserves					
Called up share capital	9		521,000		521,000
Profit and loss account	10		(234,941)		(243,773)
Shareholders' funds	11		<u>286,059</u>		<u>277,227</u>
Equity interests			549		532
Non-equity interests			<u>285,510</u>		<u>276,695</u>
			<u>286,059</u>		<u>277,227</u>

ELMRAY LIMITED

BALANCE SHEET AS AT 31 MARCH 1997

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(2) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, 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 financial statements were approved by the Board on 17th November 1997

R.H. Eaton-Williams

R H Eaton-Williams

Director

ELMRAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis which assumes that the company will continue to receive financial support from the director. The director has indicated his intention to provide this support for the foreseeable future.

1.2 Turnover

Turnover represents amounts receivable for services rendered and rents receivable net of VAT.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	2% reducing balance
Fixtures, fittings & equipment	15% Reducing balance
Motor vehicles	25% Reducing balance

1.4 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.5 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2	Operating profit/(loss)	1997	1996
		£	£
	Operating profit/(loss) is stated after charging:		
	Depreciation of tangible assets	8,025	8,622
		<u> </u>	<u> </u>
3	Other interest receivable and similar income	1997	1996
		£	£
	Other interest	2	47
		<u> </u>	<u> </u>

ELMRAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

4	Taxation	1997 £	1996 £
	U.K. current year taxation		
	U.K. corporation tax at 24% (1996 - 25%)	1,412	2,786
	Prior years		
	U.K. Corporation tax	(22)	-
		<u>1,390</u>	<u>2,786</u>

5	Tangible fixed assets	Land and buildings £	Plant and machinery etc £	Total £
	Cost			
	At 1 April 1996 & at 31 March 1997	<u>488,441</u>	<u>18,553</u>	<u>506,994</u>
	Depreciation			
	At 1 April 1996	40,348	9,477	49,825
	Charge for the year	<u>6,262</u>	<u>1,763</u>	<u>8,025</u>
	At 31 March 1997	<u>46,610</u>	<u>11,240</u>	<u>57,850</u>
	Net book value			
	At 31 March 1997	<u>441,831</u>	<u>7,313</u>	<u>449,144</u>
	At 31 March 1996	<u>448,093</u>	<u>9,076</u>	<u>457,169</u>

Included within land and buildings is land at a cost of £135,000 (1996 £135,000) which is not being depreciated.

6	Debtors	1997 £	1996 £
	Trade debtors	19,799	39,983
	Other debtors	<u>19,904</u>	<u>20,542</u>
		<u>39,703</u>	<u>60,525</u>

ELMRAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

7	Creditors: amounts falling due within one year	1997 £	1996 £
	Taxation and social security	4,904	3,391
	Other creditors	201,909	242,046
		<u>206,813</u>	<u>245,437</u>

8 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £2,048 (1996 £1,882). All contributions were paid in the year.

9	Share capital	1997 £	1996 £
	Authorised		
	1,000 Ordinary shares of £1 each	1,000	1,000
	520,000 Redeemable shares of £1 each	520,000	520,000
		<u>521,000</u>	<u>521,000</u>
	Allotted, called up and fully paid		
	1,000 Ordinary shares of £1 each	1,000	1,000
	520,000 Redeemable shares of £1 each	520,000	520,000
		<u>521,000</u>	<u>521,000</u>

Class rights of non-equity shares

The redeemable shares:

- (a) are redeemable at the option of the company at par at any time, but in any event, not later than 31 December 2025;
- (b) have no voting rights unless the company fails to redeem them by 31 December 2025: thereafter they possess the right to one vote per share until such time as they are redeemed;
- (c) have no right to dividends;
- (d) have equal rights to the ordinary shares in priority of and amounts receivable on a winding up of the company.

ELMRAY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 1996	(243,773)
Retained profit for the year	8,832
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Balance at 31 March 1997	(234,941)
	<hr/>

11 Reconciliation of movements in shareholders' funds

	1997 £	1996 £
Profit/(Loss) for the financial year	8,832	(14,504)
Opening shareholders' funds	277,227	291,731
	<hr/>	<hr/>
Closing shareholders' funds	286,059	277,227
	<hr/>	<hr/>

12 Transactions with directors

The company rents property to Sontay Limited, a company of which the director is the principal shareholder. The rents and services receivable amounted to £39,012 (1996 £39,012). The company also charged Sontay Limited £49,993 (1996 £29,792) for office backing facilities and management and secretarial services.

The amount owed to the company by Sontay Limited at the balance sheet date was £16,985.

Other creditors includes £197,182 which is owed to R H Eaton-Williams.