

GRASSROUTES LIMITED  
FINANCIAL STATEMENTS

31st December 1998

Registered Number 1953231

Brian E Hawthorn  
Chartered Accountant  
Bristol



GRASSROUTES LIMITED

FINANCIAL STATEMENTS

for the year ended 31st December 1998

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix I
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FINANCIAL STATEMENTS

31st December 1998

Incorporated in England on 18th November 1985

Number 1953231

CHAIRMAN

Mr S Thomas

SECRETARY

Mrs J F L Thomas

REGISTERED OFFICE

40c Apsley Road  
Clifton  
Bristol  
BS8 2SS

BANKERS

National Westminster Bank Plc  
PO Box 238  
Bristol  
BS99 7VG

ACCOUNTANTS

Brian E Hawthorn  
12 Cotham Road  
Bristol  
BS6 6DR

## DIRECTORS' REPORT

31st December 1998

The director presents his report and the financial statements for the year ended 31st December 1998.

## Principal activity

The principal activity of the company during the year under review was providing outward bound courses.

## Director

The director of the company during the year and his interests in the shares of the company as recorded in the register of directors' interests were as follows

	31st December 1998 Ordinary shares	1st January 1998 Ordinary shares
Mr S Thomas	1	1

## Reporting Accountants

The director considers that for the year ended 31st December 1998 the company was entitled to exemption from a statutory audit under section 249A of the Companies Act 1985. Under the provision of the Act, the director has appointed Brian E Hawthorn as his Reporting Accountant. His report is shown on page 3 of the financial statements.

## Small company exemptions

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

On behalf of the board



Mrs JFL Thomas  
Secretary

40c Apsley Road  
Clifton  
Bristol  
BS8 2SS

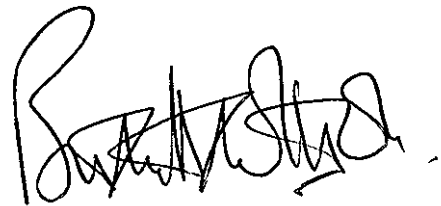
## ACCOUNTANTS' REPORT

Accountants' report to the members  
on the unaudited financial statements  
of Grassroutes Limited

In accordance with instructions given to me I have prepared financial statements for the company for the year ended 31st December 1998 according to the accounting provisions of the Companies Act 1985. The director of the company has confirmed that the company is totally exempt from the audit requirement under the provisions of subsection 1 of section 249A of the Companies Act 1985, and as a result I have not carried out an audit. The financial statements on pages 4 to 8 are therefore based on the information shown in the accounting records and on the information supplied and explanations given to me by the director.

11/6/99

Bristol

A handwritten signature in black ink, appearing to read 'Brian E Hawthorn', with a stylized flourish at the end.

Brian E Hawthorn  
Reporting Accountant

## PROFIT AND LOSS ACCOUNT

for the year ended 31st December 1998

		1998	1997
	Note	£	£
Turnover	2	41,856	45,426
Cost of sales		(8,562)	(17,387)
Gross profit		<u>33,294</u>	<u>28,039</u>
Net operating expenses			
Administrative expenses		(29,793)	(22,906)
Operating profit	3	<u>3,501</u>	<u>5,133</u>
Investment income	4	428	129
Interest payable	5	0	0
Profit on ordinary activities before taxation		<u>3,929</u>	<u>5,262</u>
Taxation	6	-	-
Profit on ordinary activities after taxation retained for the year	£	<u><u>3,929</u></u>	<u><u>5,262</u></u>

Movements in reserves are shown in note 12

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1998 or 1997 other than the profit for the year.

## BALANCE SHEET

as at 31st December 1998

		1998	1997
	Note	£	£
Fixed assets			
Tangible assets	7	9,063	8,591
Current assets			
Debtors	8	14,070	509
Cash at bank and in hand		7,448	11,904
		<u>21,518</u>	<u>12,413</u>
Creditors:			
Amounts falling due within one year		(17,978)	(12,330)
Net current assets		3,540	83
Total assets less liabilities		<u>12,603</u>	<u>8,674</u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account	12	12,601	8,672
Total shareholders' funds	10	<u>12,603</u>	<u>8,674</u>

Continued.....

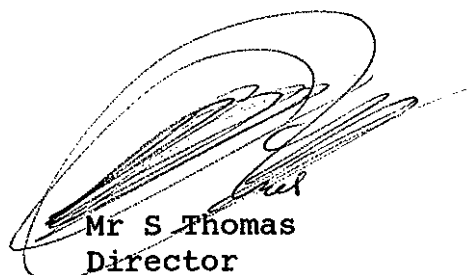
BALANCE SHEET  
(continued)

as at 31st December 1998

The director considers that for the year ended 31st December 1998 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The director acknowledges his responsibilities 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 the end of the financial year and of its loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The director has taken advantage in the preparation of these financial statements of special exemptions provided by Part 1 of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.



Mr S Thomas  
Director



## NOTES ON THE FINANCIAL STATEMENTS

31st December 1998

## 1 Accounting Policies

## Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No.1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies act 1948 for small companies.

## Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Course Equipment	10% on cost
Motors/Office Equipment	25% reducing balance

## 2 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax.

3 Operating loss	1998	1997
	£	£
Operating loss is stated after crediting		
Profit on sale of assets	-	-
	<u>          </u>	<u>          </u>
and after charging		
Rent	3080	3000
	<u>          </u>	<u>          </u>
Depreciation of tangible fixed assets (note 7) - owned assets	2269	2283
	<u>          </u>	<u>          </u>
4 Investment income	1998	1997
	£	£
Bank interest receivable	428	129
	<u>          </u>	<u>          </u>

## NOTES ON THE FINANCIAL STATEMENTS

31st December 1998

5 Interest payable	1998		1997
	£		£
Bank interest payable	0		0
	<u>          </u>		<u>          </u>
6 Taxation	1998		1997
	£		£
Corporation tax on profit on ordinary activities at 21% (1996 21%)	-		-
	<u>          </u>		<u>          </u>
7 Tangible fixed assets	Vehicle	Equipment	TOTAL
	£	£	£
Cost or valuation			
1st January 1998	5,250	9,703	14,953
Additions	0	2,741	2,741
	<u>          </u>	<u>          </u>	<u>          </u>
31st December 1998	5,250	12,444	17,694
	<u>          </u>	<u>          </u>	<u>          </u>
Depreciation	£	£	£
1st January 1998	1,313	5,049	6,362
Charge for year	984	1,285	2,269
	<u>          </u>	<u>          </u>	<u>          </u>
31st December 1998	2,297	6,334	8,631
	<u>          </u>	<u>          </u>	<u>          </u>
Net book amount			
31st December 1998	2,953	6,110	9,063
	<u>          </u>	<u>          </u>	<u>          </u>
1st January 1998	3,937	4,654	8,591
	<u>          </u>	<u>          </u>	<u>          </u>
8 Debtors	1998		1997
	£		£
Amounts falling due within one year			
Trade debtors	13,464		0
Other debtors	606		509
	<u>          </u>		<u>          </u>
	14,070		509
	<u>          </u>		<u>          </u>

## NOTES ON THE FINANCIAL STATEMENTS

31st December 1998

9 Creditors:	1998		1997	
	£		£	
Amounts falling due within one year				
Bank overdraft	0		77	
Trade creditors	3,239		3,239	
Other creditors	14,739		9,014	
	<u>17,978</u>		<u>12,330</u>	
10 Reconciliation of movement in shareholders' funds	1998		1997	
	£		£	
Profit for the year representing addition to shareholders' funds	3,929		5,262	
Opening shareholders' funds	<u>8,674</u>		<u>3,412</u>	
Closing shareholders' funds	<u>12,603</u>		<u>8,674</u>	
11 Called up share capital	1998		1997	
	No. of shares	£	No. of shares	£
Authorised	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted called up and fully paid				
Ordinary £1 shares	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
12 Profit and loss account			1998	
			£	
1st January 1998			8,672	
Retained profit for the year			<u>3,929</u>	
31st December 1998			<u>12,601</u>	