

REGISTERED NUMBER: 823931 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1998  
FOR  
HOWLAND WEST LIMITED



**HOWLAND WEST LIMITED**

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FOR THE YEAR ENDED 31ST DECEMBER 1998**

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**HOWLAND WEST LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31ST DECEMBER 1998**

**DIRECTORS:**

J Ruppin  
D Hafler  
A Zagury  
D W Hartburn  
A Toledano

**SECRETARY:**

A Allenstein

**REGISTERED OFFICE:**

13 David Mews  
Porter Street  
London  
W1M 1HW

**REGISTERED NUMBER:**

823931 (England and Wales)

**AUDITORS:**

Goldwyns  
Registered Auditors  
Chartered Accountants  
Rutland House  
90-92 Baxter Avenue  
Southend on Sea  
Essex SS2 6HZ

**HOWLAND WEST LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 1998**

The directors present their report with the financial statements of the company for the year ended 31st December 1998.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of professional audio and visual equipment wholesalers.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**DIVIDENDS**

Interim dividends per share were paid as follows:

Voting ordinary shares		
(Classes A, B and C) £1 shares	10.67	- 30th September 1998
	<u>16.00</u>	- 31st December 1998
	<u>26.67</u>	
Non - voting ordinary shares		
(Class D) £1 shares	10.67	- 30th September 1998
	<u>15.48</u>	- 31st December 1998
	<u>26.15</u>	

The directors recommend that no final dividends be paid.

The total distribution of dividends for the year ended 31st December 1998 will be £413,075.

**FIXED ASSETS**

The movements in fixed assets are summarised in the attached financial statements.

**DIRECTORS**

The beneficial interests of the directors holding office on 31 December 1997 in the issued share capital of the company were as follows:

Director	31.12.98	1.1.98
J RUPPIN ("A" Ordinary shares)	3,375	3,375
D HAFLER ("A" Ordinary shares)	4,125	4,125
A ZAGURY	-	-
A TOLEDANO	-	-
D HARTBURN ("D" Ordinary shares)	500	500

**CHARITABLE DONATIONS**

Charitable donations of £6,814 were made in the year.

**HOWLAND WEST LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST DECEMBER 1998**

**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.

**AUDITORS**

The auditors, Goldwyns, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

  
A Alenstein - SECRETARY

Dated: 27TH APRIL 1999

## HOWLAND WEST LIMITED

### REPORT OF THE AUDITORS TO HOWLAND WEST LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages six to seventeen, together with the full financial statements of the company for the year ended 31st December 1998 prepared under Section 226 of the Companies Act 1985.

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

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision 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 financial statements and that the abbreviated financial statements 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 full financial statements.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages six to eighteen are properly prepared in accordance with that provision.

#### **Other information**

On 27th April 1999 we reported, as auditors to the shareholders of the company on the financial statements for the year ended 31st December 1998 prepared under Section 226 of the Companies Act 1985, and our report was as follows:

"We have audited the financial statements on pages five to sixteen which have been prepared under the historical cost convention and the accounting policies set out on page ten.

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

As described on page three 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.

#### **Qualified opinion arising from disagreement about accounting treatment**

The company has not made a provision for the depreciation of its freehold buildings. This is not in accordance with the requirements of Statement of Standard Accounting Practice No.12 and of Schedule 4 to the Companies Act 1985. In our opinion a provision of £10,848 (1997 £10,848) should have been made. The effect of the company's accounting policy has been to overstate the company's profit before and after tax by this amount.

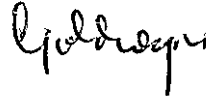
Except for the absence of this provision, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1998 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

**HOWLAND WEST LIMITED**  
**REPORT OF THE AUDITORS TO**  
**HOWLAND WEST LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

**Distributions**

In our opinion, the subject matter of the above qualification is not material for determining, by reference to these financial statements, whether the distribution (interim dividend for the year ended 31 December 1998) of £413,075 proposed by the company is permitted under Section 263 of the Companies Act 1985."

Goldwyns  
Registered Auditors  
Chartered Accountants  
Rutland House  
90-92 Baxter Avenue  
Southend on Sea  
Essex SS2 6HZ



Dated: 27<sup>TH</sup> APRIL 1999

**HOWLAND WEST LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 1998**

		<u>1998</u>		<u>1997</u>	
	Notes	£	£	£	£
<b>GROSS PROFIT</b>			2,185,622		1,979,062
Distribution costs		490,179		484,411	
Administrative expenses		<u>946,712</u>		<u>919,824</u>	
			<u>1,436,891</u>		<u>1,404,235</u>
<b>OPERATING PROFIT</b>	3		748,731		574,827
Interest receivable and similar income	4		<u>21,084</u>		<u>15,186</u>
			769,815		590,013
Interest payable and similar charges	5		<u>1,186</u>		<u>5,788</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			768,629		584,225
Tax on profit on ordinary activities	6		<u>234,289</u>		<u>167,250</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>			534,340		416,975
Dividends	7		<u>413,075</u>		<u>289,333</u>
			121,265		127,642
Retained profit brought forward			<u>1,723,437</u>		<u>1,595,795</u>
<b>RETAINED PROFIT CARRIED FORWARD</b>			<u>£1,844,702</u>		<u>£1,723,437</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements



**HOWLAND WEST LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**31ST DECEMBER 1998**

		<u>1998</u>		<u>1997</u>	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	8		751,468		751,441
<b>CURRENT ASSETS:</b>					
Stocks	9	668,144		663,354	
Debtors	10	902,392		766,315	
Cash at bank and in hand		<u>323,179</u>		<u>252,661</u>	
		1,893,715		1,682,330	
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>708,481</u>		<u>621,334</u>	
<b>NET CURRENT ASSETS:</b>			<u>1,185,234</u>		<u>1,060,996</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			1,936,702		1,812,437
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	13		<u>76,500</u>		<u>73,500</u>
			<u>£1,860,202</u>		<u>£1,738,937</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	14		15,500		15,500
Profit and loss account			<u>1,844,702</u>		<u>1,723,437</u>
Shareholders' funds	18		<u>£1,860,202</u>		<u>£1,738,937</u>

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

**ON BEHALF OF THE BOARD:**

J Ruppin - DIRECTOR

D Hafler - DIRECTOR

Approved by the Board on 27th APRIL 1999

The notes form part of these financial statements

**HOWLAND WEST LIMITED**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31ST DECEMBER 1998**

		<u>1998</u>	<u>1997</u>
	Notes	£	£
Net cash inflow from operating activities	1	707,786	607,566
Returns on investments and servicing of finance	2	19,898	9,398
Taxation		(156,916)	(178,826)
Capital expenditure	2	(79,984)	(74,938)
Equity dividends paid		<u>(413,075)</u>	<u>(289,333)</u>
		77,709	73,867
Financing	2	<u>(7,191)</u>	<u>(211)</u>
Increase in cash in the period		<u><b>£70,518</b></u>	<u><b>£73,656</b></u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u><b>70,518</b></u>	<u><b>73,656</b></u>
Change in net funds resulting from cash flows		<u><b>70,518</b></u>	<u><b>73,656</b></u>
Movement in net funds in the period		<b>70,518</b>	<b>73,656</b>
Net funds at 1st January 1998		<u><b>252,661</b></u>	<u><b>179,005</b></u>
Net funds at 31st December 1998		<u><b>£323,179</b></u>	<u><b>£252,661</b></u>

The notes form part of these financial statements

**HOWLAND WEST LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 1998**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	1998 £	1997 £
Operating profit	748,731	574,827
Depreciation charges	80,333	67,937
Loss on sale of fixed assets	885	7,233
Profit on sale of fixed assets	(1,260)	-
(Decrease)/increase in service guarantee provision	3,000	(10,000)
Increase in stocks	(4,790)	(7,216)
Increase in debtors	(136,077)	(175,747)
Increase in creditors	<u>16,964</u>	<u>150,532</u>
<b>Net cash inflow from operating activities</b>	<u><u>707,786</u></u>	<u><u>607,566</u></u>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	1998 £	1997 £
<b>Returns on investments and servicing of finance</b>		
Interest received	21,084	15,186
Interest paid	<u>(1,186)</u>	<u>(5,788)</u>
<b>Net cash inflow for returns on investments and servicing of finance</b>	<u><u>19,898</u></u>	<u><u>9,398</u></u>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(107,084)	(94,969)
Sale of tangible fixed assets	<u>27,100</u>	<u>20,031</u>
<b>Net cash outflow for capital expenditure</b>	<u><u>(79,984)</u></u>	<u><u>(74,938)</u></u>
<b>Financing</b>		
Amount withdrawn by directors	<u>(7,191)</u>	<u>(211)</u>
<b>Net cash outflow from financing</b>	<u><u>(7,191)</u></u>	<u><u>(211)</u></u>

The notes form part of these financial statements

**HOWLAND WEST LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 1998**

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.98 £	Cash flow £	At 31.12.98 £
Net cash:			
Cash at bank and in hand	<u>252,661</u>	<u>70,518</u>	<u>323,179</u>
	<u>252,661</u>	<u>70,518</u>	<u>323,179</u>
 Total	 <u>252,661</u>	 <u>70,518</u>	 <u>323,179</u>
 <b>Analysed in Balance Sheet</b>			
Cash at bank and in hand	<u>252,661</u>		<u>323,179</u>
	<u>252,661</u>		<u>323,179</u>

The notes form part of these financial statements

# HOWLAND WEST LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1998

### 1. ACCOUNTING POLICIES

#### Accounting convention

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

#### Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- No depreciation
Plant & Machinery	- 10% on cost
Fixtures & Fittings	- 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

#### Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

#### Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

#### Pensions

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. Contributions payable for the year are charged in the profit and loss account.

### 2. STAFF COSTS

	1998	1997
	£	£
Wages and salaries	716,185	675,420
Social security costs	74,411	68,825
Other pension costs	16,817	17,849
	<u>807,413</u>	<u>762,094</u>

# HOWLAND WEST LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1998

### 2. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	1998	1997
Office and Administration	9	8
Selling and Distribution	17	18
Service and Repair	<u>2</u>	<u>2</u>
	<u>28</u>	<u>28</u>

### 3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	1998	1997
	£	£
Depreciation - owned assets	80,333	67,937
(Profit)/Loss on disposal of fixed assets	(375)	7,233
Auditors' remuneration	8,000	8,900
Foreign exchange differences	(99,602)	(83,156)
Hire of plant and machinery	<u>1,940</u>	<u>1,940</u>
Directors' emoluments	128,765	122,796
Directors' pension contributions to money purchase schemes	<u>1,566</u>	<u>3,222</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>2</u>
------------------------	----------	----------

### 4. INTEREST RECEIVABLE AND SIMILAR INCOME

	1998	1997
	£	£
Deposit account interest	<u>21,084</u>	<u>15,186</u>

### 5. INTEREST PAYABLE AND SIMILAR CHARGES

	1998	1997
	£	£
Loan interest	<u>1,186</u>	<u>5,788</u>

### 6. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	1998	1997
	£	£
UK corporation tax	<u>234,289</u>	<u>167,250</u>

UK corporation tax has been charged at 28.76% (1997 - 28.10%).

# HOWLAND WEST LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1998

### 7. DIVIDENDS

	1998 £	1997 £
Equity shares:		
15,000 Voting ordinary shares (Classes A, B and C) shares of £1 each		
Interim	396,731	280,000
500 Non - voting ordinary shares (Class D) shares of £1 each		
Interim	<u>16,344</u>	<u>9,333</u>
	<u>413,075</u>	<u>289,333</u>

### 8. TANGIBLE FIXED ASSETS

	Freehold property	Plant & Machinery	Fixtures & Fittin- gs
	£	£	£
<b>COST:</b>			
At 1st January 1998	542,379	31,978	214,005
Additions	-	3,322	2,258
Disposals	-	-	(1,000)
At 31st December 1998	<u>542,379</u>	<u>35,300</u>	<u>215,263</u>
<b>DEPRECIATION:</b>			
At 1st January 1998	-	18,839	125,593
Charge for year	-	2,403	15,867
Eliminated on disposals	-	-	(500)
At 31st December 1998	<u>-</u>	<u>21,242</u>	<u>140,960</u>
<b>NET BOOK VALUE:</b>			
At 31st December 1998	<u>542,379</u>	<u>14,058</u>	<u>74,303</u>
At 31st December 1997	<u>542,379</u>	<u>13,139</u>	<u>88,412</u>

**HOWLAND WEST LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 1998**

**8. TANGIBLE FIXED ASSETS - continued**

	<u>Motor vehicles</u>	<u>Computer equipment</u>	<u>Totals</u>
	£	£	£
<b>COST:</b>			
At 1st January 1998	177,512	98,078	1,063,952
Additions	61,600	39,904	107,084
Disposals	<u>(51,680)</u>	<u>(86,257)</u>	<u>(138,937)</u>
At 31st December 1998	<u>187,432</u>	<u>51,725</u>	<u>1,032,099</u>
<b>DEPRECIATION:</b>			
At 1st January 1998	78,305	89,773	312,510
Charge for year	44,768	17,295	80,333
Eliminated on disposals	<u>(25,840)</u>	<u>(85,872)</u>	<u>(112,212)</u>
At 31st December 1998	<u>97,233</u>	<u>21,196</u>	<u>280,631</u>
<b>NET BOOK VALUE:</b>			
At 31st December 1998	<u>90,199</u>	<u>30,529</u>	<u>751,468</u>
At 31st December 1997	<u>99,206</u>	<u>8,305</u>	<u>751,441</u>

**9. STOCKS**

	1998	1997
	£	£
Goods for resale	<u>668,144</u>	<u>663,354</u>

**10. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	1998	1997
	£	£
Trade debtors	794,625	699,503
Other debtors	68,364	29,361
Prepayments	<u>39,403</u>	<u>37,451</u>
	<u>902,392</u>	<u>766,315</u>

**11. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	1998	1997
	£	£
Trade creditors	257,750	320,425
Directors current accounts	42,809	50,000
Other creditors	64,689	6,505
Social security & other taxes	87,236	50,964
Taxation	192,956	115,583
Accrued expenses	<u>63,041</u>	<u>77,857</u>
	<u>708,481</u>	<u>621,334</u>



# HOWLAND WEST LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1998

### 12. OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year:

	1998	Operating leases 1997
	£	£
Expiring:		
Within one year	1,940	-
Between one and five years	-	1,940
	<u>1,940</u>	<u>1,940</u>

### 13. PROVISIONS FOR LIABILITIES AND CHARGES

	1998	1997
	£	£
Service guarantee provision	<u>76,500</u>	<u>73,500</u>

	Other provisions £
Balance at 1st January 1998	73,500
Profit and loss account	<u>3,000</u>
Balance at 31st December 1998	<u>76,500</u>

The amount for which no provision has been made in respect of deferred taxation, is as follows:

	1998	1997
	£	£
Accelerated capital allowances	<u>2,028</u>	<u>4,818</u>

# HOWLAND WEST LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 1998

### 14. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	1998 £	1997 £
15,000	Voting ordinary shares (Classes A, B and C)	£1	15,000	15,000
1,000	Non - voting ordinary shares (Class D)	£1	<u>1,000</u>	<u>1,000</u>
			<u>16,000</u>	<u>16,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	1998 £	1997 £
15,000	Voting ordinary shares (Classes A, B and C)	£1	15,000	15,000
500	Non - voting ordinary shares (Class D)	£1	<u>500</u>	<u>500</u>
			<u>15,500</u>	<u>15,500</u>

The voting share capital of the company can be sub classified as follows:

Number:	Class:	Nominal Value:	1998	1997
7,500	"A" Ordinary	£1	7,500	7,500
3,000	"B" Ordinary	£1	3,000	3,000
4,500	"C" Ordinary	£1	<u>4,500</u>	<u>4,500</u>
			<u>15,000</u>	<u>15,000</u>

### 15. CONTINGENT LIABILITIES

There is a contingent liability in respect of a £160,000 guarantee to Customs and Excise.

### 16. PENSION COMMITMENTS

The company has a fully insured defined contribution pension scheme for its present directors and employees. The premiums paid and charged to the financial statements were:

	1998 £	1997 £
Directors	1,566	3,222
Employees	<u>16,816</u>	<u>14,627</u>
	<u>18,382</u>	<u>17,849</u>

### 17. TRANSACTIONS WITH DIRECTORS

During the year payments totalling £84 were made to J Rupp, £133 to D Hafler and £12 to D. Hartburn being interest on monies loaned to the company by these directors. Interest was paid at 1% above Bank of England base rate. At the balance sheet date there was £18,084 (1997 - £50,000) payable to J Rupp, £22,133 (1997 £Nil) payable to D Hafler and £2,592 (1997 £Nil) payable to D Hartburn.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 1998

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1998	1997
	£	£
Profit for the financial year	534,340	416,975
Dividends	<u>(413,075)</u>	<u>(289,333)</u>
<b>NET ADDITION TO SHAREHOLDERS' FUNDS</b>	121,265	127,642
Opening shareholders' funds	<u>1,738,937</u>	<u>1,611,295</u>
<b>CLOSING SHAREHOLDERS' FUNDS</b>	<u>1,860,202</u>	<u>1,738,937</u>
Equity interests	<u>1,860,202</u>	<u>1,738,937</u>