

COMPANY REGISTRATION NUMBER 2860641

EDWARD STENHOUSE LIMITED

FINANCIAL ACCOUNTS

YEAR ENDED 31 DECEMBER 1998



KINGSCOTT, DIX & CO.
CHARTERED ACCOUNTANTS

EDWARD STENHOUSE LIMITED

GENERAL INFORMATION

DIRECTOR

E.H. Stenhouse

SECRETARY

Mrs C.J. Stenhouse

REGISTERED OFFICE

Peculiars Farm
Coleman's Hatch
Hartfield
Sussex
TN7 4ES

REPORTING ACCOUNTANTS

Kingscott, Dix & Co.
Chartered Accountants
60 Kings Walk
Gloucester
GL1 1LA

BANKERS

Midland Bank PLC
1 Middle Row
East Grinstead
West Sussex
RH19 3AY

REGISTERED IN ENGLAND NO. 2860641

EDWARD STENHOUSE LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 1998

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The following pages do not form part of the statutory accounts

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EDWARD STENHOUSE LIMITED

DIRECTOR'S REPORT

The Director presents the annual report and the financial statements for the year ended 31 December 1998.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the Company are those of Chartered Surveyors and Rural Energy and Land Management Consultants. There has been no significant change in these activities during the year.

DIRECTOR

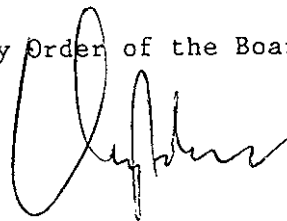
The Director of the Company who served during the year and his beneficial interests in the share of the Company were as follows:-

	Ordinary Shares of £1 each	
	1998	1997
E.H. Stenhouse	199	199

SMALL COMPANY EXEMPTIONS

The Director's 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



C.J. STENHOUSE

Secretary

EDWARD STENHOUSE LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 31 DECEMBER 1998

		1998		1997	
	Note	£	£	£	£
TURNOVER			104,120		112,127
Cost of Sales			<u>13,547</u>		<u>17,247</u>
GROSS PROFIT			90,573		94,880
Administrative Expenses			<u>84,607</u>		<u>92,541</u>
OPERATING PROFIT			5,966		2,339
Interest Receivable and Similar Income		(658)		(505)	
Interest Payable and Similar Charges		<u>2,387</u>		<u>2,327</u>	
			<u>1,729</u>		<u>1,822</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2		4,237		517
Taxation on Profit on Ordinary Activities	4		<u>1,205</u>		<u>28</u>
RETAINED PROFIT TRANSFERRED TO RESERVES	10		<u>3,032</u>		<u>489</u>

The notes on pages 4 to 8 form part of these accounts.

EDWARD STENHOUSE LIMITED

BALANCE SHEET

31 DECEMBER 1998

	Note	1998		1997	
		£	£	£	£
TANGIBLE FIXED ASSETS	5		6,984		10,492
CURRENT ASSETS					
Stock	6	21,993		36,369	
Debtors	7	30,362		15,466	
Cash at Bank and in Hand		33,957		21,177	
		<u>86,312</u>		<u>73,012</u>	
CREDITORS: Amounts falling due within one year	8	<u>88,270</u>		<u>81,510</u>	
NET CURRENT LIABILITIES			<u>(1,958)</u>		<u>(8,498)</u>
			<u>5,026</u>		<u>1,994</u>
CAPITAL AND RESERVES					
Called Up Share Capital	9		100		100
Profit and Loss Account	10		4,926		1,894
SHAREHOLDERS' FUNDS			<u>5,026</u>		<u>1,994</u>

Exemption from Audit

For the year ended 31 December 1998 the Company was entitled to exemption under Section 249A(1) of the Companies Act 1985. No notice has been deposited under S249B(2) in relation to the accounts for the financial year. The director acknowledges his responsibility for ensuring that the Company keeps accounting records which comply with Section 221 of the Act and 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 for the financial year in accordance with the requirements of Section 226 of the Act, and which otherwise comply with the requirements of this Act relating to accounts so far as applicable to the Company.

Preparation of Accounts

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Signed on behalf of the Board of Directors

..... E.H. STENHOUSE DIRECTOR

..... 18 MAY 1999 DATE

The notes on pages 4 to 8 form part of these accounts.

EDWARD STENHOUSE LIMITED

NOTES TO THE ACCOUNTS

31 DECEMBER 1998

[1] ACCOUNTING POLICIES

[a] BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

[b] TURNOVER

Turnover represents the amounts received or receivable for goods and services provided to customers during the year excluding value added tax.

[c] TANGIBLE FIXED ASSETS

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

Motor Vehicles	25% on Cost
Fixtures and Fittings	20% on Cost
Computer Equipment	33 1/3% on Cost

[d] STOCKS

Stocks and work in progress are valued at the lower of cost, and net realisable value. Cost is calculated on a first in first out basis. Net realisable value is based on the estimated selling price less estimated cost of disposal.

[e] DEFERRED TAX

Deferred tax is provided under the liability method to take account of timing differences between the profits as computed for tax purposes and the profits as stated in the financial statements to the extent that it is probable that an asset or liability will crystallise in the foreseeable future.

[f] HIRE PURCHASE AND OTHER LEASES

Assets acquired under hire purchase and finance leases have been recorded in the balance sheet as tangible fixed assets at their equivalent capital value. The corresponding liability has been included under creditors. The interest element is charged to profit and loss account at the rate inherent in the contract. Operating lease rentals are charged to the profit and loss account as they fall due.

EDWARD STENHOUSE LIMITED

NOTES TO THE ACCOUNTS

31 DECEMBER 1998

[2]	PROFIT ON ORDINARY ACTIVITIES	1998	1997
	Profit on ordinary activities is stated after charging:	£	£
	Depreciation:		
	- assets owned by the Company	6,429	2,591
	- assets held under hire purchase agreements of finance leases	-	3,249
	Hire Purchase Interest and Finance Lease Charges	<u>486</u>	<u>531</u>
[3]	DIRECTOR'S REMUNERATION	1998	1997
		£	£
	Emoluments	<u>19,347</u>	<u>17,207</u>
[4]	TAXATION	1998	1997
		£	£
	Corporation Tax charge for the Year	1,205	403
	Overprovision in respect of prior years	-	(375)
		<u>1,205</u>	<u>28</u>

EDWARD STENHOUSE LIMITED

NOTES TO THE ACCOUNTS

31 DECEMBER 1998

[5] TANGIBLE FIXED ASSETS	Total	Motor Vehicles	Fixtures and Fittings	Computer Equipment
COST	£	£	£	£
As at 1 January 1998	26,880	12,995	13,885	-
Additions	2,921	-	2,921	-
Recategorised	-	-	(8,948)	8,948
As at 31 December 1998	<u>29,801</u>	<u>12,995</u>	<u>7,858</u>	<u>8,948</u>
ACCUMULATED DEPRECIATION				
As at 1 January 1998	16,388	6,498	9,890	-
Charge for the Year	6,429	3,249	1,570	1,610
Recategorised	-	-	(7,184)	7,184
As at 31 December 1998	<u>22,817</u>	<u>9,747</u>	<u>4,276</u>	<u>8,794</u>
NET BOOK VALUE				
As at 31 December 1998	<u>6,984</u>	<u>3,248</u>	<u>3,582</u>	<u>154</u>
As at 31 December 1997	<u>10,492</u>	<u>6,497</u>	<u>3,995</u>	<u>-</u>

The net book value above includes amounts attributable to assets subject to hire purchase and finance lease agreements at 31 December 1998 of £Nil (1997 : £6,497).

[6] STOCKS	1998	1997
	£	£
Work in Progress	<u>21,993</u>	<u>36,369</u>

EDWARD STENHOUSE LIMITED

NOTES TO THE ACCOUNTS

31 DECEMBER 1998

[7] DEBTORS	1998	1997
	£	£
Trade Debtors	17,445	12,514
Other Debtors	12,475	-
Prepayments	442	2,953
	<u>30,362</u>	<u>15,467</u>

[8] CREDITORS: Amounts falling due within one year	1998	1997
	£	£
Bank Loans and Overdrafts	30,694	26,233
Trade Creditors	3,158	2,058
Corporation Tax	1,205	403
Other Taxes and Social Security	3,889	5,075
Accruals	700	6,536
Directors Current Account	14,377	16,083
Hire Purchase Creditor	-	4,125
Due to Clients	34,247	20,997
	<u>88,270</u>	<u>81,510</u>

The Company has provided security for £30,694 of the amount included in creditors.

[9] SHARE CAPITAL	1998	1997
	£	£
Authorised:		
Ordinary Shares of 50p each	<u>2,000,000</u>	<u>2,000,000</u>
Called Up and Fully Paid:		
Ordinary Shares of 50p each	<u>100</u>	<u>100</u>

EDWARD STENHOUSE LIMITED

NOTES TO THE ACCOUNTS

31 DECEMBER 1998

[10] PROFIT AND LOSS ACCOUNT	1998	1997
	£	£
Balance at beginning of the Year	1,894	1,405
Profit for the Year	3,032	489
	<u>4,926</u>	<u>1,894</u>
Balance at the end of the Year		

[11] RELATED PARTY TRANSACTIONS

DIRECTORS INTERESTS IN TRANSACTIONS

The land and buildings from which the Company operates are owned by Mr. E.H. Stenhouse (Director). No rent is payable for this occupation.

Amount owing to Directors (included in creditors amounts falling due within one year) at the beginning and end of the year were as follows:-

	1998	1997
	£	£
Mr. E.H. Stenhouse	<u>14,377</u>	<u>16,083</u>

CONTROLLING PARTY

By virtue of his controlling shareholding, Mr. E.H. Stenhouse is considered to be the controlling party of the Company.

KINGSCOTT, DIX & COMPANY

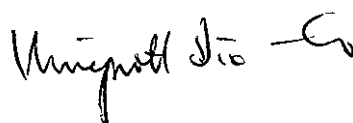
CHARTERED ACCOUNTANTS

60 KINGS WALK, GLOUCESTER. GL1 1LA

ACCOUNTANTS' REPORT

TO THE DIRECTOR ON THE UNAUDITED ACCOUNTS OF
EDWARD STENHOUSE LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 December 1998, set out on pages 2 to 8, and you consider that the Company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



KINGSCOTT, DIX & CO.
CHARTERED ACCOUNTANTS
19 MAY 1999