

APOLLO GROUP LIMITED

Company Registered No. 2023463

AUDITED ACCOUNTS

YEAR ENDED 31ST MARCH 1996

APOLLO HOUSE, STOURDALE ROAD, CRADLEY HEATH, WEST MIDLANDS.

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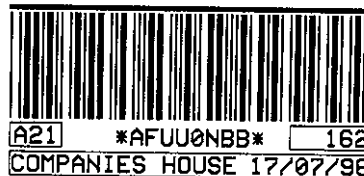
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AUDITORS' REPORT TO THE DIRECTORS OFAPOLLO GROUP LIMITED

Company Registered No. 2023463

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 8 together with the financial statements of Apollo Group Limited prepared under Section 226 of the Companies Act 1985 as modified by the exemptions provided by Part I of Schedule 8 of the Companies Act 1985 for the year ended 31st March 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 4 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does 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 under Sections 246, 247 and 249 of the Companies Act 1985 to the exemptions conferred by section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st March 1996 and the abbreviated accounts on pages 3 to 8 have been properly prepared in accordance with that Schedule.

Other information

On 20th June 1996 we reported, as auditors of Apollo Group Limited to the members on the financial statements prepared under Section 226 of the Companies Act 1985 as modified by the exemptions provided by Part I of Schedule 8 for the year ended 31st March 1996. Our report under Section 235 of the Companies Act 1985 was as follows:

'We have audited the financial statements on pages 4 to 13 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 7 and 8.

(...continued)

AUDITORS' REPORT TO THE DIRECTORS OFAPOLLO GROUP LIMITED

Company Registered No. 2023463

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8TO THE COMPANIES ACT 1985 (continued)Respective Responsibilities of Directors and Auditors

As described on page 1 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 judgments 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 1996 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.'

Signed... *Price Pearson*

20th June 1996

PRICE PEARSON
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS
FINCH HOUSE
28/30 WOLVERHAMPTON STREET
DUDLEY
WEST MIDLANDS
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APOLLO GROUP LIMITED

<u>BALANCE SHEET AS AT</u>	<u>31ST MARCH 1996</u>		<u>31ST MARCH 1995</u>	
	£	£	£	£
<u>Fixed Assets</u>				
Tangible Assets		597687		590676
Investments		8		8
		<u>597695</u>		<u>590684</u>
<u>Current Assets</u>				
Unpaid Share Capital	6123		-	
Debtors	84604		12169	
Cash at Bank and in Hand	5		49	
	<u>90732</u>		<u>12218</u>	
<u>Creditors : amounts falling due within one year</u>	<u>311189</u>		<u>404191</u>	
<u>Net Current Liabilities</u>		(220457)		(391973)
<u>Total Assets less Current Liabilities</u>		377238		198711
<u>Creditors : amounts falling due after more than one year</u>		207531		228647
<u>Net Assets/Liabilities</u>		<u>169707</u>		<u>(29936)</u>

The balance sheet continues on page 4.

The notes on pages 5 to 8 form part of these accounts.

APOLLO GROUP LIMITEDBALANCE SHEET (CONTINUED)

	<u>31ST MARCH 1996</u>		<u>31ST MARCH 1995</u>	
	£	£	£	£
<u>Capital and Reserves</u>				
<u>Share Capital</u>				
Authorised:				
Ordinary Shares of 1p each	100000		100000	
	=====		=====	
Allotted, Called Up and Fully Paid:				
Ordinary Shares of £1 each		71429		50000
<u>Reserves</u>				
Share Premium		188571		-
Revaluation Reserves		84288		86449
Profit and Loss Account		(174581)		(166385)
		-----		-----
<u>Shareholders' Funds</u>		169707		(29936)
		=====		=====

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

In preparing these accounts the directors have taken advantage of the special exemptions applicable to small companies conferred by Schedule 8 to the Companies Act 1985 and have done so on the grounds that the company is entitled to the benefit of those exemptions as a small company.

Approved by the Board of Directors on 20th June 1996

Director.....  A. L. Arscott, Esq.

Director.....  F. L. Fish, Esq.

The notes on pages 5 to 8 form part of these accounts.

APOLLO GROUP LIMITEDNOTES TO THE ACCOUNTSYEAR ENDED 31ST MARCH 19961. Accounting PoliciesAccounting Convention

The accounts are prepared under the historical cost convention as modified to include the revaluation of leasehold land and buildings.

Turnover

Turnover represents the amounts derived from the provision of goods and services, net of value added tax.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Leasehold Property	straight line over life of lease
Fixtures and Fittings	15% p.a. reducing balance basis and 20% p.a. straight line basis
Motor Vehicles	25% p.a. reducing balance basis

The directors have reviewed depreciation policies during the year and have depreciated leasehold property at 2 1/2% p.a. on a straight line basis in accordance with Statement of Standard Accounting Practice No. 12. This has reduced profits in the year by £12554.

In addition the directors have decided to depreciate future computer equipment additions at 20% p.a. straight line as they believe that this equates more accurately with their expected useful lives.

Deferred Taxation

Deferred taxation is provided on the liability method on all material timing differences to the extent that they are expected to reverse in the future without being replaced, calculated at the rate at which it is estimated that taxation will be payable.

Leasing and Hire Purchase Commitments

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

Interest charges are allocated to the profit and loss account on a straight line basis.

APOLLO GROUP LIMITEDNOTES TO THE ACCOUNTS (CONTINUED)YEAR ENDED 31ST MARCH 19961. Accounting Policies - ContinuedOperating Leases

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

Pension Contributions

The company operates a defined contributions scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. Fixed Assets

	<u>Tangible Fixed</u>		<u>Fixed</u>
	<u>Assets</u>	<u>Investments</u>	<u>Assets</u>
<u>Cost or Valuation</u>	£	£	£
As at 1st April 1995	675020	8	675028
Additions	45602	-	-
	<hr/>	<hr/>	<hr/>
As at 31st March 1996	720622	8	720628
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
 <u>Depreciation</u>			
As at 1st April 1995	84344	-	84344
Charge for the year	36590	-	36590
	<hr/>	<hr/>	<hr/>
As at 31st March 1996	122934	-	122934
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
 <u>Net Book Value</u>			
As at 31st March 1996	597688	8	597696
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
As at 31st March 1995	590676	8	590684
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

APOLLO GROUP LIMITEDNOTES TO THE ACCOUNTS (CONTINUED)YEAR ENDED 31ST MARCH 1996

3. <u>Investments</u>	<u>Group Undertakings</u>
<u>Cost or Valuation</u>	£
As at 1st April 1995 and 31st March 1996	8
	=====

The companies are :-

<u>Name of Company</u>	<u>Country of Incorporation</u>	<u>Holding</u>	<u>Proportion Held</u>	<u>Nature of Business</u>
Apollo Fasteners Limited	England	Ordinary Shares	100%	Suppliers of Industrial Fasteners
Apollo Healthcare Limited	England	Ordinary Shares	100%	Suppliers of goods to Nursing Homes
Apollo Hi-Tech Limited	England	Ordinary Shares	100%	Suppliers of Industrial Fasteners

<u>Financial Summary</u>	<u>Aggregate of Capital and Reserves at 31st March 1996</u>	<u>Profit for the Year Ended 31st March 1996</u>
	£	£
Apollo Healthcare Limited	114795	24388
	=====	=====
Apollo Hi-Tech Limited	117775	16221
	=====	=====
Apollo Fasteners Limited	49908	1742
	=====	=====

APOLLO GROUP LIMITEDNOTES TO THE ACCOUNTS (CONTINUED)YEAR ENDED 31ST MARCH 1996

	<u>1996</u>	<u>1995</u>
	£	£
<u>4. Creditors</u>		
Creditors, both falling due within one year and falling due after one year, include the following secured liabilities:		
Bank Loans	276675	240111
Obligations under Finance Leases and Hire Purchase Contracts	31219	22813
	<u>307894</u>	<u>262924</u>
Included in creditors falling due after one year are the following amounts which are repayable after more than five years:		
Bank Loans	151488	169443
	<u>151488</u>	<u>169443</u>

5. Share Capital

On 12th October 1995, the company issued 2,142,857 1p Ordinary Shares at a premium of 8.8p per share. The total of £210000 was payable in two instalments of £150000 and £60000. At the balance sheet date £60000 was outstanding. This has been allocated pro-rata between share capital and the premium on issue.

6. Directors' Interests in Contracts

Mr. A. L. Arscott was interested throughout the year, in a loan from Apollo Group Limited Pension Fund, of which he is both a member and a trustee. At the balance sheet date the amount of the loan outstanding was £14000 (1995: £14000).

He was also interested in the payment of interest on this loan amounting to £1275 for the year to 31st March 1996. At the balance sheet date the interest outstanding on the loan was £13844.

Mr A. L. Arscott was also interested in a loan from Apollo Group Limited a company in which he has a 100% equity interest.

At the balance sheet date the amount of the loan outstanding was £7084 (1995: £Nil).

There are no other interests in contracts which are required to be disclosed under the Companies Act 1985.