

ADDSTACK BUILDERS LIMITED

COMPANIES HOUSE

REPORT OF THE DIRECTORS

The director presents his Report and audited financial statements for the year ended 31st March 1996.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company in the year was that of building contractors. It is anticipated that the company will trade profitably in the ensuing year.

RESULTS AND DIVIDENDS

The profit for the year after taxation and dividends amounted to £2,302. It is proposed that this amount be transferred to reserves.

DIRECTORS

The director of the company during the year, together with details of his interests in the shares of the company at the beginning and end of the year are as shown below:-

Ordinary Shares of £1 each

B Richardson

999

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which gives a true and fair view of the state of affairs 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 reasonably prudent;
- * prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

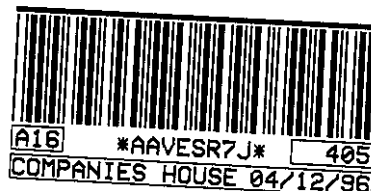
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention of fraud or other irregularities.

AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution proposing the reappointment of Harrison Hill Castle & Company as auditors to the company will be put to the Annual General Meeting.

BY ORDER OF THE BOARD

J. Cutcher
Secretary



ADDSTACK BUILDERS LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the financial statements on pages 3 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective Responsibilities of directors and auditors

As described on Page 1, the company's directors are responsible for the preparation of the 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.

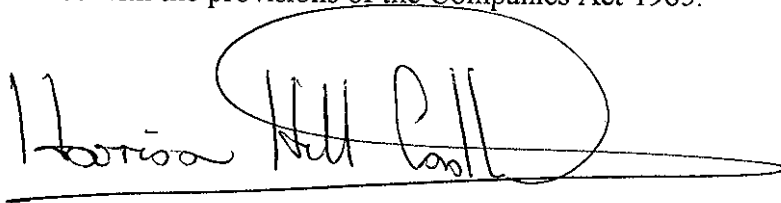
Basis of opinion

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 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 at 31st March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

A handwritten signature in dark ink, appearing to read 'Harrison Hill Castle', is written over a horizontal line. The signature is stylized with a large loop at the end.

HARRISON HILL CASTLE & COMPANY

Chartered Accountants

Registered Auditor

25.11.96

Melbury House

34 Southborough Road

Bickley Bromley

Kent

BR1 2EB

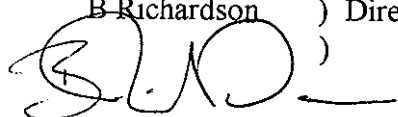
ADDSTACK BUILDERS LIMITED

BALANCE SHEET

AS AT 31st MARCH 1996

	Notes	£	1996 £	£	1995 £
FIXED ASSETS	5		4,905		6,106
CURRENT ASSETS					
Debtors	3	48,310		34,263	
Cash at Bank and In Hand		<u>31,998</u>		<u>87,147</u>	
		<u>80,308</u>		<u>121,410</u>	
CURRENT LIABILITIES					
Other Creditors	4	<u>81,749</u>		<u>126,354</u>	
NET CURRENT LIABILITIES			(<u>1,441</u>)		(<u>4,944</u>)
			£ <u>3,464</u>		£ <u>1,162</u>
CAPITAL AND RESERVES					
CALLED-UP SHARE CAPITAL	2		1,000		1,000
PROFIT AND LOSS ACCOUNT			<u>2,464</u>		<u>162</u>
SHAREHOLDERS' FUNDS			£ <u>3,464</u>		£ <u>1,162</u>

Approved by the Board on 25th November 1996 and signed on its behalf.

B Richardson)
) Director

ADDSTACK BUILDERS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 1996

	Notes	£	1996 £	£	1995 £
TURNOVER	1		433,178		444,121
Cost of Sales			<u>106,216</u>		<u>103,328</u>
GROSS PROFIT			326,962		340,793
Administration Expenses			<u>184,823</u>		<u>187,020</u>
OPERATING PROFIT			142,139		153,773
Interest Payable	6	-		(161)	
Interest Receivable		<u>2,683</u>		<u>779</u>	
			<u>2,683</u>		<u>618</u>
PROFIT BEFORE TAXATION	6		144,822		154,391
Taxation	9		38,520		39,502
Dividend	10		<u>104,000</u>		<u>148,000</u>
PROFIT/(LOSS) FOR YEAR			2,302		(33,111)
Retained Profit brought forward			<u>162</u>		<u>33,273</u>
RETAINED PROFIT CARRIED FORWARD			£ <u>2,464</u>		£ <u>162</u>

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the surplus for the above two financial years.

ADDSTACK BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 1996

1. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements are prepared under the Historical Cost Convention and the appropriate accounting standards. These include Financial Reporting Standard No 1 in accordance with which the company satisfies the criteria for exemption from the requirement to publish a cashflow statement.

TURNOVER

Turnover represents the invoiced amounts of goods sold and services provided during the year, net of value added tax.

DEPRECIATION

Provision is made for depreciation on all tangible fixed assets at rates calculated to write off the cost of valuation less estimated residual value, of each asset over its expected useful life, as follows:-

Plant and Equipment	-	25% per annum on reducing balance
Motor Vehicles	-	25% per annum on reducing balance
Fixtures and Fittings	-	10% per annum on cost

	1996 £	1995 £
2. SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
Ordinary Shares of £1 each	<u>£ 1,000</u>	<u>£ 1,000</u>
CALLED UP AND FULLY PAID		
Ordinary Shares of £1 each	<u>£ 1,000</u>	<u>£ 1,000</u>
3. DEBTORS		
Trade Debtors	47,176	34,263
Other Debtors	<u>1,134</u>	<u>-</u>
	<u>£ 48,310</u>	<u>£34,263</u>
4. CREDITORS: Amounts falling due within one year		
Other Loan Account	1,200	1,200
Accruals	2,200	2,000
Director's current accounts	31,353	73,840
Other Taxes and Social Security Costs	9,491	10,821
Corporation Tax	<u>37,505</u>	<u>38,493</u>
	<u>£ 81,749</u>	<u>£126,354</u>

ADDSTACK BUILDERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued

FOR THE YEAR ENDED 31st MARCH 1996

5. TANGIBLE ASSETS

	Motor Vehicles	Plant and Equipment	Fixtures & Fittings	Total
Cost at 1st April 1995	17,900	5,877	620	24,397
Additions in year	<u> </u>	<u>289</u>	<u>110</u>	<u>399</u>
Cost at 31st March 1996	<u>17,900</u>	<u>6,166</u>	<u>730</u>	<u>24,796</u>
Depreciation at 1st April 1995	14,243	3,712	336	18,291
Charge in year	<u>914</u>	<u>613</u>	<u>73</u>	<u>1,600</u>
Depreciation at 31st March 1996	<u>15,157</u>	<u>4,325</u>	<u>409</u>	<u>19,891</u>
Net Book Value at 31st March 1996	<u>£ 2,743</u>	<u>£ 1,841</u>	<u>£ 321</u>	<u>£ 4,905</u>
Net Book Value at 31st March 1995	<u>£ 3,657</u>	<u>£ 2,165</u>	<u>£ 284</u>	<u>£ 6,106</u>
		1996 £		1995 £

6. INTEREST PAYABLE AND SIMILAR CHARGES

Interest on overdue taxation	<u>£ 651</u>	<u>£ 161</u>
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7. OPERATING PROFIT

This is stated after charging:-

Staff Costs (Note 8)	30,410	30,410
Depreciation	1,600	2,001
Auditors' Remuneration	<u>2,200</u>	<u>2,000</u>

8. STAFF COSTS

a) Staff costs during year

Wages and Salaries	5,410	5,410
Director's emoluments	<u>25,000</u>	<u>25,000</u>
	<u>£ 30,410</u>	<u>£30,410</u>

9. TAXATION

Tax on Profit on Ordinary Activities
UK Corporation Tax at 25%

<u>£ 38,520</u>	<u>£39,502</u>
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10. DIVIDEND

During the year a dividend of £104.00
per share was paid

<u>£104,000</u>	<u>£148,000</u>
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