Holborn Accountancy Tuition Limited

Annual Report

Year Ended 30 April 2000

Company Registration Number 1206921



Holborn Accountancy Tuition Limited

Financial Statements

Year Ended 30 April 2000

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Holborn Accountancy Tuition Limited

Directors' Report

Year Ended 30 April 2000

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 April 2000.

Principal Activities

The principal activity of the company during the year was the provision of training services to the accountancy profession.

The Directors and their Interests in Shares of the Company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		Ordinary Shares of £1 each	
		At 30 April 2000	At 1 May 1999 or later date of appointment
R D Ward		75	1
I C Atkins		100	2
J E Allen		75	1
E Oddie		75	1
M J Shaw	**(Appointed 12 October 1999)**	-	-
K M Clarke	**(Appointed 1 September 1999)**	75	-
G L Young	**(Resigned 11 October 1999)**		
N Buckley-Sharp	**(Resigned 31 August 1999)**		

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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

A resolution to re-appoint Francis Clark as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the directors

I C Atkins
Company Secretary

Holborn Accountancy Tuition Limited

Auditors' Report to the Shareholders

Year Ended 30 April 2000

We have audited the financial statements on pages 4 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of the Directors and the 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 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 30 April 2000 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Francis Clark
Chartered Accountants
31 Houndiscombe Road
Mutley
PLYMOUTH
PL4 6HA

15 September 2000

Francis Clark

Registered Auditors

Holborn Accountancy Tuition Limited

Profit and Loss Account

Year Ended 30 April 2000

	Note	2000	1999
		£	£
Turnover		**478,088**	477,892
Distribution Costs		**(269,205)**	(243,887)
Administrative expenses		**(193,456)**	(216,289)
Operating Profit	2	**15,427**	17,716
Interest receivable		**-**	383
Interest payable		**(3,511)**	(2,317)
Profit on Ordinary Activities Before Taxation		**11,916**	15,782
Tax on profit on ordinary activities	4	**(1,114)**	(4,597)
Retained Profit for the Financial Year		**10,802**	11,185

Holborn Accountancy Tuition Limited

Balance Sheet

30 April 2000

	Note	2000	1999
		£	£
Fixed Assets			
Tangible assets	5	**57,801**	37,667
Current Assets			
Stocks		**15,387**	13,458
Debtors	6	**83,066**	84,927
Cash at bank		**131**	88
		98,584	98,473
Creditors: Amounts falling due within one year	7	**(122,556)**	(120,147)
Net Current Liabilities		**(23,972)**	(21,674)
Total Assets Less Current Liabilities		**33,829**	15,993
Creditors: Amounts falling due after more than one year	8	**(20,645)**	(13,611)
		13,184	2,382
Capital and Reserves			
Called-up equity share capital	11	**400**	8
Profit and loss account	12	**12,784**	2,374
Shareholders' Funds		**13,184**	2,382

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 14 September 2000, and were signed on their behalf by:

R D Ward

Holborn Accountancy Tuition Limited

Notes to the Financial Statements

Year Ended 30 April 2000

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 (effective March 2000).

(b) **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

(c) **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Improvements	-	Over the term of the lease
Motor Vehicles	-	33 1/3% per annum
Office Equipment	-	10 - 25% per annum

(d) **Stocks**

Stocks are stated at the lower of cost and net realisable value using the first in first out method.

(e) **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

(f) **Operating lease agreements**

Payment in respect of operating leases are charged to the profit and loss account in the period to which they relate.

(g) **Pension costs**

Retirement benfits for certain directors are provided by a money purchase scheme, which is funded by contributions from the company. Contributions are charged against profits of the year in which they are paid.

(h) **Deferred taxation**

Provision is made for the deferred tax, using the liability method, to the extent that it is probable that a liability will crystallise in the foreseeable future.

2. Operating Profit

Operating profit is stated after charging:

	2000 £	1999 £
Staff pension contributions	**4,338**	2,900
Depreciation	**11,699**	10,966
Loss on disposal of fixed assets	**1,227**	1,673
Auditors' fees	**1,800**	1,800

3. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2000 £	1999 £
Aggregate emoluments	**108,711**	85,841
Value of company pension contributions to money purchase schemes	**4,637**	3,700
	113,348	89,541

The number of directors who are accruing benefits under company pension schemes were as follows:

	2000 No.	1999 No.
Money purchase schemes	**2**	2

4. Tax on Profit on Ordinary Activities

	2000 £	1999 £
Corporation tax based on the results for the year at 19.16% (1999 - 20.90%)	**1,114**	4,597

5. Tangible Fixed Assets

	Leasehold Improvements	Motor Vehicles	Office Equipment	Total
	£	£	£	£
Cost				
At 1 May 1999	15,547	22,859	33,051	71,457
Additions	-	21,595	19,966	41,561
Disposals	-	(22,859)	(551)	(23,410)
At 30 April 2000	**15,547**	**21,595**	**52,466**	**89,608**
Depreciation				
At 1 May 1999	3,681	9,172	20,937	33,790
Charge for the year	2,373	4,585	4,741	11,699
On disposals	-	(13,407)	(275)	(13,682)
At 30 April 2000	**6,054**	**350**	**25,403**	**31,807**
Net Book Value				
At 30 April 2000	**9,493**	**21,245**	**27,063**	**57,801**
At 30 April 1999	11,866	13,687	12,114	37,667

Hire purchase agreements
Included within the net book value of £57,801 is £21,245 (1999 - £13,687) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £350 (1999 - £4,552).

6. Debtors

	2000	1999
	£	£
Members and Associate Firms	**63,185**	65,311
Other debtors	**14,891**	14,524
Prepayments and accrued income	**4,990**	5,092
	83,066	84,927

7. **Creditors:** Amounts falling due within one year

	2000	1999
	£	£
Bank loans and overdrafts	**41,690**	48,656
Trade creditors	**35,619**	19,529
Other creditors including:		
Corporation tax	**1,114**	4,597
PAYE and social security	**7,535**	8,028
VAT	**19,329**	17,495
Hire purchase agreements	**4,799**	5,481
Other creditors	**6,576**	6,711
	116,662	110,497
Accruals and deferred income	**5,894**	9,650
	122,556	120,147

Security has been given by the member firms in respect of £41,690 (last year - £48,656) of the above creditors.

Hire purchase instalments are secured by motor vehicles.

8. **Creditors:** Amounts falling due after more than one year

	2000	1999
	£	£
Hire purchase agreements	**9,198**	476
Other	**11,447**	13,135
	20,645	13,611

9. **Commitments under Operating Leases**

At 30 April 2000 the company had aggregate annual commitments under non-cancellable operating leases as set out below.

	2000	1999
	£	£
Operating leases which expire:		
Within 1 year	**-**	12,081
Within 2 to 5 years	**22,960**	22,960
	22,960	35,041

10. Related Party Transactions

During the year the company sold services on normal commercial terms to member firms in which certain directors have an interest as follows:

Director	Interest in Member Firm	Net contribution received by Company £
R D Ward	Partner - Silver Altman	26,116
J E Allen	Partner - Morgan Brown & Spofforth	58,899
K Clarke	Partner - Cooper Lancaster Brewers	57,795
E Oddie	Partner - Morison Stoneham (Chelmsford)	53,657

The following amounts were due by the member firms to the company at the year end:

	£
Silver Altman	(1,055)
Morgan Brown & Spofforth	8,060
Cooper Lancaster Brewers	3,691
Morison Stoneham (Chelmsford)	4,568

The company has not charged interest on amounts due.

The company is under the effective control of the directors.

11. Share Capital

Authorised share capital:

	2000 £	1999 £
Equity shares		
1,000 Ordinary shares of £1 each	**1,000**	100

Allotted, called up and fully paid:

	2000 £	1999 £
Ordinary share capital brought forward	**8**	8
Scrip/rights issues of ordinary shares at par	**392**	-
	400	8

The company elected to increase the authorised share capital to 1,000 shares at an extraordinary general meeting 29 November 1999. 392 shares were then issued at par.

12. **Profit and Loss Account**

	2000	1999
	£	£
Balance brought forward	**2,374**	(8,811)
Retained profit for the financial year	**10,802**	11,185
Capitalisation of reserves	**(392)**	-
Balance carried forward	**12,784**	2,374