Whitebirk Finance Limited

Directors' report and financial statements

Registered Number 1614321

31 August 2001



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COMPANIES HOUSE 29/06/02

Contents

Directors' report	1
Profit and loss account	3
Statement of total recognised gains and losses	3
Balance sheet	4
Notes	5

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 August 2001.

Principal activities

The company leases and rents machinery and property to industry.

Results and dividends

The loss for the year after taxation amounted to £ 51,136 *(2000: loss of £43,454).* The directors do not recommend the payment of a dividend.

Business review

The company continued to provide the services as outlined above.

Market value of land and buildings

In the opinion of the directors, the market value of the land and buildings of the company is in excess of the book value, based on the historic cost less amounts written off, stated in the financial statements.

Directors and directors' interests

The directors who held office during the year were as follows:

HA Cann
A Hutchinson

The directors at the end of the year and their interests in the share capital of the company were as follows:

	Interest at beginning and end of year	
	Own interest	Family interest
HA Cann (Chairman)	2,648	11,788
A Hutchinson	1,511	5,300

According to the register of directors interests, no rights to subscribe for shares or debentures of the company were granted to any of the directors or their immediate families, or exercised by them during the financial year.

By order of the board

DL Walmsley
Secretary

Whitebirk Estate
BLACKBURN
Lancashire
BB1 5TH

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 maintaining 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Profit and loss account

for the year ended 31 August 2001

	Note	2001 £	2000 £
Turnover	*1*	**130,334**	132,970
Cost of sales		**(77,460)**	(74,239)
Gross profit		**52,874**	58,731
Administrative expenses		**(1,364)**	(3,335)
Operating profit		**51,510**	55,396
Interest receivable and similar income		**3,677**	-
Interest payable and similar charges	*4*	**(118,797)**	(108,455)
Loss on ordinary activities before taxation	*2*	**(63,610)**	(53,059)
Tax on loss on ordinary activities	*5*	**12,474**	9,605
Loss on ordinary activities after taxation		**(51,136)**	(43,454)
Retained loss brought forward		**(274,973)**	(231,519)
Retained loss carried forward		**(326,109)**	(274,973)

The results above relate entirely to continuing operations.

Statement of total recognised gains and losses

for the year ended 31 August 2001

The loss of £51,136 *(2000: loss of £43,454)* as shown in the profit and loss account is the only gain or loss recognised in these financial statements

Balance sheet

at 31 August 2001

	Note	2001		2000	
		£	£	£	£
Fixed assets					
Tangible assets	6		**460,231**		509,466
Current assets					
Debtors	7	**566,084**		637,664	
Bank		**210,408**		-	
		776,492		637,664	
Creditors: amounts falling due within one year	8	**(118,133)**		(116,064)	
Net current assets			**658,359**		521,600
Total assets less current liabilities			**1,118,590**		1,031,066
Creditors: amounts falling due after one year	9		**(1,439,699)**		(1,288,564)
Provisions for liabilities and charges	10		-		(12,475)
Net liabilities			**(321,109)**		(269,973)
Capital and reserves					
Called up share capital	11		**5,000**		5,000
Profit and loss account deficit			**(326,109)**		(274,973)
Equity shareholders' funds	12		**(321,109)**		(269,973)

The directors have taken advantage of special exemptions conferred by Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the financial statements and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

In approving these financial statements as directors of the company we hereby confirm:

a that for the period ended 31 August 2001 the company was entitled to the exemption conferred by Section 249B(4) of the Companies Act 1985;

b that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the period ended 31 August 2001; and

c we acknowledge our responsibilities for:
   i ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985; and
   ii 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 loss for the year then ended and which otherwise comply with the provisions of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the board of directors on 28/6/ 2002 and were signed on its behalf by:

HA Cann
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The financial statements have been prepared on a going concern basis as the directors have received written confirmation from one of the directors and shareholders that he will provide sufficient financial support for at least the next twelve months.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Buildings	-	25 years
Plant and machinery	-	5 years
Motor vehicles	-	4 years
Fixtures and Fittings and computer equipment	-	3-10 years

Cash flow statement

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts received and receivable in respect of lease and rental income for the year net of Value Added Tax. Turnover was earned wholly in the United Kingdom.

Notes *(continued)*

2 Loss on ordinary activities before taxation

	2001 £	2000 £
Loss on ordinary activities before taxation is stated		
after charging/(crediting)		
Professional accounting and taxation services	**2,925**	2,200
Depreciation: owned assets	**49,235**	54,625
Profit on sale of fixed assets	**(2,500)**	(875)
Lease rentals receivable	**(130,334)**	(132,970)

3 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees 2001	2000
Administration	**2**	2

4 Interest payable and similar charges

	2001 £	2000 £
On bank loans and overdrafts	**28,079**	2,192
On other loans (loans falling due after more than one year)	**90,718**	106,263
	118,797	108,455

5 Taxation

	2001 £	2000 £
Taxation based on the loss for the year:		
Deferred taxation for the current year	**(9,349)**	(10,173)
Adjustment relating to deferred taxation in earlier years	**(3,125)**	568
	(12,474)	(9,605)

Notes *(continued)*

6 Tangible fixed assets

	Freehold land and buildings	Plant and machinery	Motor vehicles	Fixtures and Fittings	Total
	£	£	£	£	£
Cost					
At beginning and end of year	981,948	225,660	52,730	16,322	1,276,660
Disposals	-	-	(15,500)	-	(15,500)
At end of year	981,948	225,660	37,230	16,322	1,261,160
Depreciation and diminution in value					
At beginning of year	507,714	225,660	27,593	6,227	767,194
Charge for year	36,777	-	9,308	3,150	49,235
Disposals	-	-	(15,500)	-	(15,500)
At end of year	544,491	225,660	21,401	9,377	800,929
Net book value					
At 31 August 2001	**437,457**	**-**	**15,829**	**6,945**	**460,231**
At 31 August 2000	474,234	-	25,137	10,095	509,466

Included within land and buildings is £62,500 *(2000: £62,500)* in respect of land which is not depreciated.

Plant and machinery, and land and buildings with a net book value of £437,457 *(2000:£474,234)*, are on lease to customers.

7 Debtors

	2001	2000
	£	£
Falling due within one year		
Amounts owed by connected companies	**551,793**	616,037
Prepayments and accrued income	**14,291**	21,627
	566,084	637,664

Notes *(continued)*

8 Creditors: amounts falling due within one year

	2001		2000	
	£	£	£	£
Bank loans and overdrafts		**64,828**		83,948
Directors loan		**1,833**		1,833
Trade creditors		**2,747**		4,050
Other creditors including taxation and social security:				
Corporation tax	-		-	
Other taxes and social security	**17,289**		20,392	
Taxation and social security		**17,289**		20,392
Accruals and deferred income		**8,457**		5,841
Amounts owed to connected companies		**22,979**		-
		118,133		116,064

9 Creditors: amounts falling due in more than one year

	2001	2000
	£	£
Bank loans	**707,089**	-
Other loans	**732,610**	1,288,564
	1,439,699	1,288,564

There are no formal repayment terms for other loans. The other loans are all due to individuals connected with the shareholders of the company.

10 Provisions for liabilities and charges

	Taxation including deferred taxation
	£
At beginning of year	12,475
Released in the year	(12,475)
At end of year	-

The amounts provided for deferred taxation represent the full potential liability as follows:

	2001	2000
	£	£
Accelerated capital allowances	-	52,047
Tax losses	-	(39,572)
	-	12,475

Notes *(continued)*

11 Called up share capital

	2001 £	2000 £
Authorised, issued and fully paid		
25,000 ordinary shares of 20p each	**5,000**	5,000

12 Reconciliation of movement in shareholders' funds

	2001 £	2000 £
Loss for the year	**(51,136)**	(43,454)
Shareholders' funds at beginning of year	**(269,973)**	(226,519)
Shareholders' funds at end of year	**(321,109)**	(269,973)

13 Contingent liabilities

Three companies have registered for Value Added Tax as a group and each company is jointly and severally liable for the group liability. At 31 August 2001 there was a group VAT creditor of £10,937 *(2000: debtor of £58,142).*

14 Related party transactions

Amounts owing to the directors of the company are disclosed within creditors due in more than one year and loan interest paid on these loans amounted to £90,718 *(2000:£106,263).*

Amounts owed by connected companies are disclosed within debtors. Amounts owed to connected companies are disclosed within creditors.

Turnover includes £120,000 *(2000:£ 120,000)* receivable from TDS Cad Graphics Limited. Mr HA Cann is a director of TDS Cad Graphics Limited. This revenue relates to the rental of property.