ENVIROMETRICS LIMITED

Abbreviated accounts
for the year ended 30 June 1997

Company registration

England 1 674 821

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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 judgments 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 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 and detection of fraud and other irregularities.

Accountants' report to the directors

on the unaudited accounts
for the year ended 30 June 1997

As described above the company's directors are responsible for the preparation of the accounts for the year ended 30 June 1997, set out on pages 3 to 5, and the directors consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985. In accordance with the directors' instructions, we have compiled these unaudited abbreviated accounts in order to assist the directors to fulfil their statutory responsibilities, from the accounting records of Envirometrics Limited, and from information and explanations supplied to us.

Moore Stephens

12 Alma Square
Scarborough
YO11 1JU

MOORE STEPHENS

Chartered Accountants

13 October 1998

Balance sheet

as at 30 June 1997

	Note	£	£	1996 £	1996 £
Fixed assets					
Tangible assets	2		140,308		141,240
Investment property	3		54,894		54,894
			195,202		196,134
Current assets					
Debtors		3,930		2,815	
Cash at bank and in hand		–		–	
		3,930		2,815	
Creditors: amounts falling due within one year		39,323		33,578	
Net current liabilities			(35,393)		(30,763)
Total assets less current liabilities			159,809		165,371
Creditors: amounts falling due after more than one year			40,310		48,566
Net assets			119,499		116,805
Capital and reserves					
Called up share capital	6		100		100
Revaluation reserve			75,456		77,171
Profit and loss account			43,943		39,534
Equity shareholders' funds			119,499		116,805

Approved by the board of directors on 12/10/98

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

For the year in question the company was entitled to exemption from an audit under section 249A(1) of the Companies Act 1985. No notice has been deposited under section 249B(2) of the Act in relation to the accounts for the financial year. The directors acknowledge their responsibilities for:

a) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
b) 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 or loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

P R Bull
Director

Notes to the accounts

for the year ended 30 June 1997

1 Accounting policies

These accounts have been prepared under the historical cost convention as modified by the revaluation of freehold property, adopting the following principal accounting policies.

1.01 Depreciation

Depreciation of fixed assets has been provided at various rates which are anticipated to amortise the cost over the assets' expected useful lives. Indicative annual rates are:–

Freehold buildings	2% straight line basis
Plant & machinery	15% reducing balance basis

1.02 Investment property

In accordance with Statement of Standard Accounting Practice number 19 the directors have included the company's investment property in the balance sheet at their estimate of open market value. Surpluses on revaluation of investment property are credited to an undistributable investment revaluation reserve.

In common with many other investment companies and in accordance with Statement of Standard Accounting Practice number 19, no depreciation has been provided on freehold investment property. This departure from statutory principles is enabled under Section 226(5), Companies Act 1985 for the overriding purpose of presenting a true and fair view.

1.03 Turnover

Turnover comprises rental income.

1.04 Deferred taxation

It is the directors' policy to provide for deferred taxation only to the extent that a liability is anticipated to arise in the foreseeable future.

2 Tangible assets

	Total £
Cost or valuation	
As at 30.06.96	164,913
Additions	3,004
Disposals	–
As at 30.06.97	167,917
Depreciation	
As at 30.06.96	23,673
Provided in year	3,936
Disposals	–
As at 30.06.97	27,609
Net book value	
As at 30.06.96	141,240
As at 30.06.97	140,308

Notes to the accounts

for the year ended 30 June 1997

3 Investment property

Cost	Freehold property £
As at 30.06.97 and 30.06.96	54,894

The directors consider that the open market value of the property at 30 June 1997 equates to its historic cost.

4 Creditors: repayable wholly or in part after more than five years

	£	1996 £
Bank loan :–		
instalments due within one to two years	3,258	2,711
instalments due within two to five years	11,847	9,958
instalments due thereafter	25,205	30,925
	40,310	43,594

5 Secured borrowings

Bank borrowings of £53,356 (1996–£51,715) are secured by a debenture creating a legal mortgage and fixed and floating charge over the assets of the company. Other creditors of £4,971 (1996–£11,432) are secured by a first legal charge over freehold property held by the company.

6 Share capital

	£	1996 £
Authorised – £1 ordinary shares	1,000	1,000
Issued & fully paid – £1 ordinary shares	100	100

7 Contingent liabilities

The company has given unlimited guarantees to its bankers in favour of Castle Group Limited and its subsidiary companies.

8 Related party transactions

Included in turnover is rent charged to Castle Group Limited of £26,505. P R Bull is a director and major shareholder of Castle Group Limited and Envirometrics Limited. Included in other creditors is £7,050 due to P R Bull.