COMPANY NUMBER 2169338

Report of the Directors and

Financial Statements

for the Year Ended 31 March 1997

for

Godalming Museum Sales Limited

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for the Year Ended 31 March 1997

Godalming Museum Sales Limited

Company Information
for the Year Ended 31 March 1997

DIRECTORS:	Mrs M M Gordon T J Law Mrs M E Heath Bullock P G T Lewis
SECRETARY:	P G T Lewis
REGISTERED OFFICE:	Ashcombe House Queen Street Godalming Surrey GU7 1BB
REGISTERED NUMBER:	2169338
ACCOUNTANTS:	Roffe Swayne Ashcombe House Queen Street Godalming Surrey GU7 1BB Chartered Accountants

Godalming Museum Sales Limited

Report of the Directors
for the Year Ended 31 March 1997

The directors present their report with the financial statements of the company for the year ended 31 March 1997.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of retail trading for the purpose of providing additional funds to Godalming Museum Trust for the running of Godalming museum.

DIRECTORS
The directors during the year under review were:

Mrs M M Gordon
T J Law
Mrs M E Heath Bullock
P G T Lewis

The beneficial interests of the directors holding office on 31 March 1997 in the issued share capital of the company were as follows:

	31.3.97	1.4.96
Ordinary Shares £1 shares		
Mrs M M Gordon	1	1
T J Law	1	1
Mrs M E Heath Bullock	1	1
P G T Lewis	1	1

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

ON BEHALF OF THE BOARD:

Peter Lewis.

....
P G T Lewis - SECRETARY

Dated: 26 January 1998

Godalming Museum Sales Limited

Profit and Loss Account
for the Year Ended 31 March 1997

	Notes	1997	1996
		£	£
TURNOVER	2	13,423	16,700
Cost of sales		8,777	11,129
GROSS PROFIT		4,646	5,571
Administrative expenses		4,640	5,565
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	6	6
Tax on profit on ordinary activities	4	377	(22)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(371)	28
Retained profit brought forward		126	98
(DEFICIT)/RETAINED PROFIT CARRIED FORWARD		£(245)	£126

CONTINUING OPERATIONS
None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES
The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

Godalming Museum Sales Limited

Balance Sheet
31 March 1997

	Notes	1997 £	1997 £	1996 £	1996 £
FIXED ASSETS:					
Tangible assets	5		60		71
CURRENT ASSETS:					
Stocks	6	5,597		4,141	
Debtors	7	108		-	
Cash at bank and in hand		50		668	
		5,755		4,809	
CREDITORS: Amounts falling due within one year	8	6,056		4,750	
NET CURRENT (LIABILITIES)/ASSETS:			(301)		59
TOTAL ASSETS LESS CURRENT LIABILITIES:			£(241)		£130
CAPITAL AND RESERVES:					
Called up share capital	10		4		4
Profit and loss account			(245)		126
Shareholders' funds	11		£(241)		£130

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ending 31 March 1997.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements 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 financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

Godalming Museum Sales Limited

Balance Sheet
31 March 1997

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

ON BEHALF OF THE BOARD:

M. M. Gordon

.... - DIRECTOR M. M. GORDON

Paul Lewis

.... - DIRECTOR PGT LEWIS

Approved by the Board on 26 January 1998

Godalming Museum Sales Limited

Notes to the Financial Statements
for the Year Ended 31 March 1997

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1
Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover
Turnover represents sales of goods, sales made on behalf of third parties and commissions received on those sales.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Furniture and Fittings - 15% on reducing balance

Stocks
Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

3. OPERATING PROFIT

The operating profit is stated after charging:

	1997	1996
	£	£
Depreciation - owned assets	11	12
Directors' emoluments and other benefits etc	-	-

4. TAXATION

The tax charge/(credit) on the profit on ordinary activities for the year was as follows:

	1997	1996
	£	£
UK Corporation Tax	-	(22)
Corporation tax underprovided in previous years	377	-
	377	(22)

UK Corporation Tax was charged at 25% in 1996.

5. TANGIBLE FIXED ASSETS

	Furniture and Fittings
	£
COST:	
At 1 April 1996	
and 31 March 1997	305
DEPRECIATION:	
At 1 April 1996	234
Charge for year	11
At 31 March 1997	245
NET BOOK VALUE:	
At 31 March 1997	60
At 31 March 1996	71

6. STOCKS

	1997	1996
	£	£
Stock	5,597	4,141

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1997	1996
	£	£
Prepayments	108	-

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1997	1996
	£	£
Bank loans and overdrafts (see note 9)	1,269	-
Loan - Friends of the Museum	3,000	3,000
Income tax	960	375
Taxation	377	-
Accrued expenses	450	1,375
	6,056	4,750

9. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	1997 £	1996 £
Amounts falling due within one year or on demand:		
Bank overdrafts	1,269	-

10. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	1997 £	1996 £
1,000	Ordinary Shares	£1	1,000	1,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	1997 £	1996 £
4	Ordinary Shares	£1	4	4

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1997 £	1996 £
(Loss)/Profit for the financial year	(371)	28
NET (REDUCTION)/ADDITION TO SHAREHOLDERS' FUNDS	(371)	28
Opening shareholders' funds	130	102
CLOSING SHAREHOLDERS' FUNDS	(241)	130
Equity interests	(241)	130

12. ADMINISTRATIVE EXPENSES

These include the amount payable under the deed of covenant executed on 12 February 1988 to Godalming Museum Trust which, based on the estimated profits for the year was as follows:-

Payable to Godalming Museum Trust (net)	3,040	3,900
Paid/(Due) to Inland Revenue	960	1,300
	£4,000	£5,200