

REGISTERED NUMBER: 3033421 (England and Wales)

Abbreviated Financial Statements for the Year Ended 31 March 2001

for

Ewan Associates Ltd



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COMPANIES HOUSE 06/12/01

Ewan Associates Ltd

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for the Year Ended 31 March 2001

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Ewan Associates Ltd

Company Information
for the Year Ended 31 March 2001

DIRECTORS:

VJ Ewan
AC Southall
PW Lane
I Miller

SECRETARY:

SJ Blannin

REGISTERED OFFICE:

Priory Court
Poulton
Cirencester
GL7 5JB

REGISTERED NUMBER:

3033421 (England and Wales)

AUDITORS:

Morley & Co.
Registered Auditors
Chartered Accountants
2 Cricklade Court
Old Town
Swindon
SN1 3EY

Ewan Associates Ltd

Report of the Directors
for the Year Ended 31 March 2001

The directors present their report with the financial statements of the company for the year ended 31 March 2001.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of providing :

- Water and Wastewater engineering consultancy and operational support services
- Environmental management consultancy
- IT services to both public and private sector organisations and utility companies

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements. Turnover has increased from £4.80m to £5.28m but difficult trading conditions in our core water work together with investment for the future have led to a reported trading loss of £0.15m.

The anticipated downturn in workload from the water industry in England and Wales, resulting from the regulatory cycle, has been deeper than expected and has largely been responsible for the losses incurred. However, this has been countered by substantial success in developing a strong forward workload in Scotland and Northern Ireland, the benefits of which were being seen by the end of the year and will continue to flow through in the coming years.

Notable progress has been made in developing our IT consultancy work which has brought in over £1m of new business during the year and a number of prestigious clients.

Stewart Walker (Director of Hydrometric Services division) was sadly lost to cancer at the beginning of the financial year and proved a difficult act to follow. However, by September we had a new Divisional Manager in post who has not only maintained client confidence but has expanded the business further.

The main targets for the year were :

1. to maintain our core water workload by replacing the downturn in England and Wales with work from new markets in Scotland and Northern Ireland
2. to obtain a return on investments in the Optimal Solutions division
3. to extend the application of transferable core skills into new sectors
4. to move the primary focus of the Technology Solutions division to non-water work

These targets have been achieved with the exception of target 2, where continued net investment has been made to develop our service propositions further.

FUTURE DEVELOPMENTS

There are strong signs that the current regulation driven downturn in work from our traditional clients is coming to an end and it is anticipated that the coming year will benefit from an improved business environment.

With an increasing proportion of our work being won from outside the water sector the decision was taken during the year to divide the business into suitable vehicles to deliver the correct business focus for future growth. This was planned and implemented to allow the new business structure to be operated from 1st April 2001. This structure has a group holding company with 3 wholly owned subsidiaries as follows :

Ewan Group plc	- Ewan Associates Ltd	(water and environmental consultants)
	- Ewan Services Ltd	(data collection and operational support)
	- Ewan Optimal Solutions Ltd	(IT, GIS and optimisation consultants)

DIVIDENDS

An interim dividend of 2.40 per share on the A Ordinary Shares £1 shares was paid on 25 April 2000. The directors recommend that no final dividend be paid on these shares.

No interim dividend was paid on the B Ordinary Shares £1 shares. The directors recommend that no final dividend be paid on these shares.

No interim dividend was paid on the C Ordinary Shares £1 shares. The directors recommend that no final dividend be paid on these shares.

The total distribution of dividends for the year ended 31 March 2001 will be £74,400.

Ewan Associates Ltd

Report of the Directors
for the Year Ended 31 March 2001

DIRECTORS

The directors during the year under review were:

VJ Ewan	
AC Southall	
PW Lane	
ST Walker	- deceased 12.4.00
I Miller	

The beneficial interests of the directors holding office on 31 March 2001 in the issued share capital of the company were as follows:

	31.3.01	1.4.00
A Ordinary Shares £1 shares		
VJ Ewan	60,000	69,175
AC Southall	20,000	10,000
PW Lane	20,000	20,000
I Miller	-	-
B Ordinary Shares £1 shares		
VJ Ewan	270	270
AC Southall	90	90
PW Lane	90	90
I Miller	-	-
C Ordinary Shares £1 shares		
VJ Ewan	420	420
AC Southall	140	140
PW Lane	140	140
I Miller	-	-

THE EURO

As a result of the introduction of the Euro, the directors have assessed the impact on the business of using this currency. It is not considered necessary to update any equipment to facilitate the Euro, and any transactions in this currency would be dealt with under the provisions of SSAP 20 - Foreign Currency Translation.

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

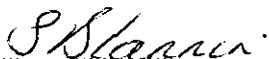
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for 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.

Ewan Associates Ltd

Report of the Directors
for the Year Ended 31 March 2001

ON BEHALF OF THE BOARD:


.....
SJ Blannin - SECRETARY

Dated: 12 September 2001

Ewan Associates Ltd

Report of the Independent Auditors to
Ewan Associates Ltd
Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages six to eighteen, together with the full financial statements of the company for the year ended 31 March 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages six to eighteen are properly prepared in accordance with that provision.



Morley & Co.
Registered Auditors
Chartered Accountants
2 Cricklade Court
Old Town
Swindon
SN1 3EY

Dated: 12 September 2001

Ewan Associates Ltd

Abbreviated Profit and Loss Account
for the Year Ended 31 March 2001

		<u>2001</u>	<u>2000</u>
	Notes	£	£
GROSS PROFIT		854,321	1,488,958
Administrative expenses		<u>976,744</u>	<u>1,203,690</u>
OPERATING (LOSS)/PROFIT	3	(122,423)	285,268
Interest payable and similar charges	4	<u>33,885</u>	<u>17,519</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(156,308)	267,749
Tax on (loss)/profit on ordinary activities	5	<u>(32,436)</u>	<u>32,918</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(123,872)	234,831
Dividends	6	<u>74,400</u>	<u>-</u>
		(198,272)	234,831
Retained profit brought forward		<u>652,049</u>	<u>417,218</u>
RETAINED PROFIT CARRIED FORWARD		<u><u>£453,777</u></u>	<u><u>£652,049</u></u>

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.

Ewan Associates Ltd

Abbreviated Balance Sheet
31 March 2001

		<u>2001</u>		<u>2000</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	7		127,343		85,092
Tangible assets	8		<u>415,599</u>		<u>380,736</u>
			542,942		465,828
CURRENT ASSETS:					
Stocks	9	116,980		-	
Debtors	10	1,264,757		1,227,117	
Cash in hand		<u>7,038</u>		<u>5,936</u>	
		1,388,775		1,233,053	
CREDITORS: Amounts falling due within one year	11	<u>1,214,295</u>		<u>763,040</u>	
NET CURRENT ASSETS:			<u>174,480</u>		<u>470,013</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			717,422		935,841
CREDITORS: Amounts falling due after more than one year	12		<u>142,940</u>		<u>181,792</u>
			<u>£574,482</u>		<u>£754,049</u>
CAPITAL AND RESERVES:					
Called up share capital	17		102,000		102,000
Revaluation reserve	18		18,705		-
Profit and loss account			<u>453,777</u>		<u>652,049</u>
SHAREHOLDERS' FUNDS:	21		<u>£574,482</u>		<u>£754,049</u>

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

ON BEHALF OF THE BOARD:


.....
V J Ewan DIRECTOR

Approved by the Board on 12 September 2001

The notes form part of these financial statements

Ewan Associates Ltd

Cash Flow Statement
for the Year Ended 31 March 2001

		<u>2001</u>		<u>2000</u>	
	Notes	£	£	£	£
Net cash inflow/(outflow) from operating activities	1		140,025		(21,646)
Returns on investments and servicing of finance	2		(33,885)		(17,519)
Taxation			(34,564)		(62,723)
Capital expenditure	2		(178,364)		(182,018)
Equity dividends paid			<u>(74,400)</u>		<u>-</u>
			(181,188)		(283,906)
Financing	2		<u>(64,586)</u>		<u>(70,592)</u>
Decrease in cash in the period			<u>£(245,774)</u>		<u>£(354,498)</u>
Reconciliation of net cash flow to movement in net debt	3				
Decrease in cash in the period		(245,774)		(354,498)	
Cash outflow from decrease in debt and lease financing		<u>64,586</u>		<u>71,592</u>	
Change in net debt resulting from cash flows			(181,188)		(282,906)
New finance leases			<u>(17,423)</u>		<u>(87,344)</u>
Movement in net debt in the period			(198,611)		(370,250)
Net debt at 1 April			<u>(431,474)</u>		<u>(61,224)</u>
Net debt at 31 March			<u>£(630,085)</u>		<u>£(431,474)</u>

The notes form part of these financial statements

Ewan Associates Ltd

Notes to the Cash Flow Statement
for the Year Ended 31 March 2001

1. RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating (loss)/profit	(122,423)	285,268
Depreciation charges	124,853	107,846
Loss on sale of fixed assets	12,526	7,313
Profit on sale of fixed assets	-	(130)
Increase in stocks	(116,980)	-
(Increase)/Decrease in debtors	(2,642)	214,595
Increase/(Decrease) in creditors	<u>244,691</u>	<u>(636,538)</u>
Net cash inflow/(outflow) from operating activities	<u><u>140,025</u></u>	<u><u>(21,646)</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2001 £	2000 £
Returns on investments and servicing of finance		
Interest paid	(26,864)	(9,158)
Interest element of hire purchase or finance lease rentals payments	<u>(7,021)</u>	<u>(8,361)</u>
Net cash outflow for returns on investments and servicing of finance	<u><u>(33,885)</u></u>	<u><u>(17,519)</u></u>
Capital expenditure		
Purchase of intangible fixed assets	(55,481)	(85,092)
Purchase of tangible fixed assets	(135,858)	(108,776)
Sale of tangible fixed assets	<u>12,975</u>	<u>11,850</u>
Net cash outflow for capital expenditure	<u><u>(178,364)</u></u>	<u><u>(182,018)</u></u>
Financing		
Loan repayments in year	(50,586)	(71,592)
Directors Loan Repayments	(14,000)	-
Cash receipt re share issue	<u>-</u>	<u>1,000</u>
Net cash outflow from financing	<u><u>(64,586)</u></u>	<u><u>(70,592)</u></u>

The notes form part of these financial statements

Ewan Associates Ltd

Notes to the Cash Flow Statement
for the Year Ended 31 March 2001

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.00 £	Cash flow £	Other non-cash changes £	At 31.3.01 £
Net cash:				
Cash at bank and in hand	5,936	1,102		7,038
Bank overdraft	<u>(205,902)</u>	<u>(246,876)</u>		<u>(452,778)</u>
	<u>(199,966)</u>	<u>(245,774)</u>		<u>(445,740)</u>
Debt:				
Hire purchase or finance leases	(90,834)	50,586	(17,423)	(57,671)
Debts falling due after one year	<u>(140,674)</u>	<u>14,000</u>	<u>-</u>	<u>(126,674)</u>
	<u>(231,508)</u>	<u>64,586</u>	<u>(17,423)</u>	<u>(184,345)</u>
Total	<u>(431,474)</u>	<u>(181,188)</u>	<u>(17,423)</u>	<u>(630,085)</u>

Analysed in Balance Sheet

Cash at bank and in hand	5,936	7,038
Bank overdraft	<u>(205,902)</u>	<u>(452,778)</u>
Hire purchase or finance leases		
within one year	(49,716)	(41,405)
after one year	(41,118)	(16,266)
Debts falling due after one year	<u>(140,674)</u>	<u>(126,674)</u>
	<u>(431,474)</u>	<u>(630,085)</u>

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 2001

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents net invoiced sales of services and goods, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in December 1999 is being written off evenly over its estimated useful life of three years.

Tangible fixed assets

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

Leasehold Improvements	- in accordance with the property
Furniture	- Year 1-3 at 20% on cost, year 4 at 10% on cost, thereafter at 5% per annum
Electrical Equipment	- Year 1-3 at 20% on cost, year 4 at 10% on cost, thereafter at 5% per annum
Other Equipment	- Year 1-3 at 20% on cost, year 4 at 10% on cost, thereafter at 5% per annum
Logging Equipment	- Year 1-3 at 20% on cost, year 4 at 10% on cost, thereafter at 5% per annum
Motor Vehicles	- Year 1-3 at 20% on cost, year 4 at 10% on cost, thereafter at 5% per annum
Computer Equipment	- Year 1-3 at 20% on cost, year 4 at 10% on cost, thereafter at 5% per annum

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. All are depreciated over their estimated useful lives.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pension Costs

Pension payments are made under a defined contribution scheme to an independently administered fund. The charge to the profit and loss account is the amount of contribution due for payment in respect of the particular accounting period. Any outstanding or prepaid contributions at the balance sheet date are accounted for under the accruals concept where necessary.

Research and development

Expenditure on in-house research and development is written off in the year in which it is incurred while externally procured scientific R&D is accounted for in accordance with SSAP 13.

Ewan Associates Ltd

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 2001

2. STAFF COSTS

	2001	2000
	£	£
Wages and salaries	2,751,251	2,531,896
Social security costs	244,849	222,524
Other pension costs	61,310	82,132
	<u>3,057,410</u>	<u>2,836,552</u>

The average monthly number of employees during the year was as follows:

	2001	2000
Directors	4	5
Admin	22	16
Engineers	<u>133</u>	<u>154</u>
	<u>159</u>	<u>175</u>

3. OPERATING (LOSS)/PROFIT

The operating loss (2000 - operating profit) is stated after charging:

	2001	2000
	£	£
Rent	124,788	96,103
Depreciation - owned assets	82,509	73,651
Depreciation - assets on hire purchase contracts or finance leases	29,114	34,195
Loss on disposal of fixed assets	12,526	7,183
Goodwill written off	4,000	-
Research & Development written off	9,230	-
Auditors' remuneration	7,000	7,000
Directors Pension Contributions	<u>11,126</u>	<u>37,736</u>
Directors' emoluments	64,882	210,782
Compensation to directors for loss of office	<u>-</u>	<u>120,000</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2001	2000
	£	£
Bank Interest	26,864	2,124
Loan	-	7,034
HP & LP Interest	<u>7,021</u>	<u>8,361</u>
	<u>33,885</u>	<u>17,519</u>

Ewan Associates Ltd

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 2001

5. **TAXATION**

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

	2001 £	2000 £
UK corporation tax	(35,000)	32,000
Under(Over) Provision Prior Yr	<u>2,564</u>	<u>918</u>
	<u>(32,436)</u>	<u>32,918</u>

UK corporation tax has been charged at 20% (2000 - 20%).

6. **DIVIDENDS**

	2001 £	2000 £
Equity shares: 100,000 A Ordinary Shares of £1 each		
Interim	<u>74,400</u>	-
	<u>74,400</u>	-

7. **INTANGIBLE FIXED ASSETS**

	<u>Goodwill</u>	<u>Research & Development</u>	<u>Totals</u>
	£	£	£
COST:			
At 1 April 2000	12,000	73,092	85,092
Additions	<u>-</u>	<u>55,481</u>	<u>55,481</u>
At 31 March 2001	<u>12,000</u>	<u>128,573</u>	<u>140,573</u>
AMORTISATION:			
Charge for year	<u>4,000</u>	<u>9,230</u>	<u>13,230</u>
At 31 March 2001	<u>4,000</u>	<u>9,230</u>	<u>13,230</u>
NET BOOK VALUE:			
At 31 March 2001	<u>8,000</u>	<u>119,343</u>	<u>127,343</u>
At 31 March 2000	<u>12,000</u>	<u>73,092</u>	<u>85,092</u>

Ewan Associates Ltd

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 2001**

8. TANGIBLE FIXED ASSETS

	<u>Leasehold Improvements</u>	<u>Furniture</u>	<u>Electric- al Equipment</u>	<u>Other Equipment</u>
	£	£	£	£
COST:				
At 1 April 2000	13,284	45,133	49,817	89,376
Additions	2,450	17,011	3,657	25,900
Disposals	-	(405)	(2,690)	-
At 31 March 2001	<u>15,734</u>	<u>61,739</u>	<u>50,784</u>	<u>115,276</u>
DEPRECIATION:				
At 1 April 2000	644	24,367	22,179	30,660
Charge for year	-	8,234	6,860	16,665
Eliminated on disposals	-	(314)	(2,057)	-
At 31 March 2001	<u>644</u>	<u>32,287</u>	<u>26,982</u>	<u>47,325</u>
NET BOOK VALUE:				
At 31 March 2001	<u>15,090</u>	<u>29,452</u>	<u>23,802</u>	<u>67,951</u>
At 31 March 2000	<u>12,640</u>	<u>20,766</u>	<u>27,638</u>	<u>58,715</u>

	<u>Logging Equipment</u>	<u>Motor Vehicles</u>	<u>Computer Equipment</u>	<u>Totals</u>
	£	£	£	£
COST:				
At 1 April 2000	174,171	137,461	286,637	795,879
Additions	20,005	-	102,963	171,986
Disposals	-	(43,720)	(17,899)	(64,714)
At 31 March 2001	<u>194,176</u>	<u>93,741</u>	<u>371,701</u>	<u>903,151</u>
DEPRECIATION:				
At 1 April 2000	103,795	63,001	170,496	415,142
Charge for year	15,804	14,025	50,035	111,623
Eliminated on disposals	-	(23,192)	(13,650)	(39,213)
At 31 March 2001	<u>119,599</u>	<u>53,834</u>	<u>206,881</u>	<u>487,552</u>
NET BOOK VALUE:				
At 31 March 2001	<u>74,577</u>	<u>39,907</u>	<u>164,820</u>	<u>415,599</u>
At 31 March 2000	<u>70,376</u>	<u>74,460</u>	<u>116,141</u>	<u>380,736</u>

The Logging Equipment was valued on 31 March 2001 by the directors to an open market value. If Logging Equipment had not been revalued, it would have been included at an historical cost of £175,471 and aggregate depreciation of £119,599.

Ewan Associates Ltd

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 2001

8. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

	<u>Other Equipment</u>	<u>Logging Equipment</u>	<u>Motor Vehicles</u>	<u>Computer Equipment</u>	<u>Totals</u>
	£	£	£	£	£
COST:					
At 1 April 2000	41,380	40,800	79,020	9,700	170,900
Additions	-	-	-	17,423	17,423
Disposals	-	-	(16,720)	-	(16,720)
Transferred to ownership	-	-	(26,036)	-	(26,036)
At 31 March 2001	<u>41,380</u>	<u>40,800</u>	<u>36,264</u>	<u>27,123</u>	<u>145,567</u>
DEPRECIATION:					
At 1 April 2000	8,276	16,320	32,935	1,940	59,471
Charge for year	8,276	8,160	7,253	5,425	29,114
Eliminated on disposals	-	-	(10,033)	-	(10,033)
Transferred to ownership	-	-	(15,649)	-	(15,649)
At 31 March 2001	<u>16,552</u>	<u>24,480</u>	<u>14,506</u>	<u>7,365</u>	<u>62,903</u>
NET BOOK VALUE:					
At 31 March 2001	<u>24,828</u>	<u>16,320</u>	<u>21,758</u>	<u>19,758</u>	<u>82,664</u>
At 31 March 2000	<u>33,104</u>	<u>24,480</u>	<u>46,085</u>	<u>7,760</u>	<u>111,429</u>

9. STOCKS

	2001 £	2000 £
Work in Progress	<u>116,980</u>	<u>-</u>

**10. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001 £	2000 £
Trade Debtors	1,186,980	1,189,340
Other Debtors	7,777	7,777
Prepayments	35,000	30,000
Corporation Tax Recoverable	35,000	-
	<u>1,264,757</u>	<u>1,227,117</u>

Ewan Associates Ltd

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 2001**

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Bank loans and overdrafts (see note 13)	452,778	205,902
Trade Creditors	383,912	183,791
Other Creditors	76,453	88
Hire Purchase	41,405	49,716
V.A.T.	190,582	177,541
Social Security & Other Taxes	55,465	96,312
Taxation	-	32,000
Accruals	13,700	17,690
	<u>1,214,295</u>	<u>763,040</u>

**12. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2001	2000
	£	£
Hire Purchase	16,266	41,118
Directors Loan Accounts	<u>126,674</u>	<u>140,674</u>
	<u>142,940</u>	<u>181,792</u>

13. LOANS AND OVERDRAFTS

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

	2001	2000
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>452,778</u>	<u>205,902</u>

14. OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year:

	2001	2000
	£	£
Expiring:		
Within one year	10,355	9,910
Between one and five years	111,351	56,646
In more than five years	-	22,165
	<u>121,706</u>	<u>88,721</u>

Ewan Associates Ltd

**Notes to the Abbreviated Financial Statements
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15. SECURED DEBTS

The following secured debts are included within creditors:

	2001	2000
	£	£
Bank overdrafts	<u>452,778</u>	<u>205,902</u>

The bank overdraft is secured by a mortgage debenture over all the company assets.

16. PROVISIONS FOR LIABILITIES AND CHARGES

The amount for which no provision has been made in respect of deferred taxation, is as follows:

	2001	2000
	£	£
Accelerated Capital Allowances	<u>18,040</u>	<u>12,110</u>

17. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2001	2000
			£	£
480,000	A Ordinary Shares	£1	480,000	480,000
10,000	B Ordinary Shares	£1	10,000	10,000
10,000	C Ordinary Shares	£1	<u>10,000</u>	<u>10,000</u>
			<u>500,000</u>	<u>500,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2001	2000
			£	£
100,000	A Ordinary Shares	£1	100,000	100,000
1,000	B Ordinary Shares	£1	1,000	1,000
1,000	C Ordinary Shares	£1	<u>1,000</u>	<u>1,000</u>
			<u>102,000</u>	<u>102,000</u>

The B and C Class Ordinary shares carry no voting rights. The company may however declare cumulative participating preferential dividends to the shareholders based on the profits of the division to which they relate.

18. REVALUATION RESERVE

	2001	2000
	£	£
Revaluation on Loggers	<u>18,705</u>	<u>-</u>

19. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The payment is made to an independently administered fund. The pension costs charged in the profit and loss account represents contributions payable by the company and amounted to £61,310 (2000 - £82,132).

Ewan Associates Ltd

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 2001

20. **RELATED PARTY DISCLOSURES**

The company is controlled on a day to day basis jointly by the directors. The managing director is VJ Ewan. At 31 March 2000 the sum of £126,674 was owed by the company to VJ Ewan. The amount is not repayable within twelve months of the balance sheet date. The loan is interest bearing at the rate of 10% pa.

21. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2001 £	2000 £
(Loss)/Profit for the financial year	(123,872)	234,831
Dividends	<u>(74,400)</u>	<u>-</u>
	(198,272)	234,831
Issue of B Ordinary Shares		
Issue of C Ordinary Shares	-	1,000
Revaluation Reserve	<u>18,705</u>	<u>-</u>
Net (reduction)/addition to shareholders' funds	(179,567)	235,831
Opening shareholders' funds	<u>754,049</u>	<u>518,218</u>
Closing shareholders' funds	<u>574,482</u>	<u>754,049</u>
Equity interests	<u>574,482</u>	<u>754,049</u>