

**BOURNES OF LONDON LIMITED
(TRADING AS ACORN PROJECTS)**

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2001**

Company no 361561

**BOURNES OF LONDON LIMITED
(TRADING AS ACORN PROJECTS)
DIRECTORS REPORT**

The director presents his report and the financial statements for the year ended 31 August 2001.

Statement of directors responsibilities

Company law requires the director 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 and loss of the company for that period. In preparing those financial statements, the director, is 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company in order to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

Principal activities

The principal activity of the company is office refurbishment

Director

The director at 31 August 2001 and his interest in the share capital of the company were as follows:

	<u>Ordinary shares of £1</u>	
	<u>At 31.08.01</u>	<u>At 31.08.00</u>
J K Noakes	1,000	1,000

Auditors

The auditors, Kevin Kearney Associates, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

Small company rules

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

J K Noakes

Director

7 December 2001

**AUDITORS' REPORT TO THE SHAREHOLDERS
OF BOURNES OF LONDON LIMITED
(TRADING AS ACORN PROJECTS)**

We have audited the financial statements on pages 3 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and in accordance with the accounting policies set out on page 5.

Respective responsibilities of director and auditors

As described earlier the company's director is 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 director 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 the sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or 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 31 August 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Kevin Kearney Associates
Chartered Accountants and Registered Auditors**

7 December 2001

**Haland House
Weybridge
Surrey KT139DY**

**BOURNES OF LONDON LIMITED
(TRADING AS ACORN PROJECTS)
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2001**

	Note	2001 £	2000 £
Turnover	1	3,135,068	
1,883,631			
Cost of sales		<u>(2,549,081)</u>	
(1,563,698)			
Gross profit		585,987	319,933
Administrative expenses		<u>(431,908)</u>	
(351,726)			
Operating profit/(loss)	2	154,079	(31,793)
Interest receivable		345	-
Interest payable		(2,213)	(898)
Profit/(loss) on ordinary activities before taxation		152,211	(32,691)
Taxation	3	<u>(32,168)</u>	<u>5,210</u>
Profit/(loss) on ordinary activities after taxation		120,043	(27,481)
Dividends	4	<u>(31,000)</u>	<u>-</u>
Retained profit/(loss) for the year		89,043	(27,481)
Retained profit brought forward		<u>58,981</u>	<u>86,462</u>
Retained profit carried forward		<u>148,024</u>	<u>58,981</u>
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES			
Profit/(loss) for the year		120,043	(27,481)
Amortisation of revaluation surplus	5	(1,001)	(1,295)
Total recognised gain/(loss) for the year		<u>119,042</u>	<u>-</u>
(28,776)			

**BOURNES OF LONDON LIMITED
(TRADING AS ACORN PROJECTS)
BALANCE SHEET
AS AT 31 AUGUST 2001**

	Note	2002	2001	
		£	£	£
Fixed assets				
Tangible assets	5	37,319	21,018	
Current assets				
Stocks and work in progress		220,367	97,429	
debtors	6	799,379	454,897	
Cash at bank and in hand		<u>500</u>	<u>191</u>	
		1,020,246	552,517	
Creditors				
Amounts falling due within one year	7	(902,206)	(506,218)	
Net current assets		118,040		
46,299		_____	_____	
Net assets		<u>155,359</u>		
<u>67,317</u>				
Capital and reserves				
Called up share capital	8	1,000		
1,000				
Revaluation reserve	9	6,335		
7,336				
Profit and loss account		<u>148,024</u>		
<u>58,981</u>				
Shareholders' funds		<u>155,359</u>		
<u>67,317</u>				

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

The annexed notes form part of these financial statements
Approved by the board

J K Noakes
Director
7 December 2001

**BOURNES OF LONDON LIMITED
(TRADING AS ACORN PROJECTS)
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2001**

1. Accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	15% reducing balance
Office equipment	20% reducing balance
Motor vehicles	25% reducing balance

1.4 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost includes all direct expenditure incurred on each contract. Full provision is included for contract losses actually realised or foreseen after the balance sheet date.

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lesser are charged to the profit and loss account as incurred.

2. Operating profit/(loss)

The operating profit is stated after charging:

	2001	2000
	£	£
Director's emoluments	45,362	35,813
Auditors' remuneration	2,600	2,500
Depreciation of tangible fixed assets owned by the company	5,124	4,065
Hire of plant and machinery	48,576	43,899

3. Taxation

	2001	2000
	£	£
UK corporation tax payable (2000 – recoverable)	<u>32,168</u>	<u>(5,210)</u>

4. Dividends

	2001	2000
	£	£
Proposed dividend of £31.00 per ordinary share	<u>31,000</u>	<u>-</u>

5. Tangible Assets

	Leasehold property	Plant & machinery etc	Total
	£	£	£
Cost or valuation			
At 01.09.00	-	28,895	28,895
Additions	18,406	3,690	22,096
Disposals	-	-	-
At 31.08.01	<u>18,406</u>	<u>32,585</u>	<u>50,991</u>
Depreciation			
At 01.09.00	-	7,877	7,877
Charge for the year	1,164	3,630	4,794
Amortisation of plant revaluation surplus	-	1,001	1,001
Disposals	-	-	-
At 31.08.01	1,164	12,508	13,672
Net book value			
At 31.08.01	<u>17,242</u>	<u>20,077</u>	<u>37,319</u>
At 31.08.00	<u>-</u>	<u>21,018</u>	<u>21,018</u>

Cost of valuation at 31 August 2001 is represented by:

Cost of assets	42,360
Revaluation in 1999	<u>8,631</u>
	<u>50,991</u>

If there had been no revaluation of assets in 1999, those assets would have been included above as follows:

	£
Costs of assets	434
Aggregate depreciation	<u>167</u>
Net book value	<u>267</u>

6. Debtors	2001	2000
	£	£
Due within one year		
Trade debtors	762,728	393,374
Director's current account	-	20,785
Corporation tax recoverable	-	5,210
Other debtors and prepayments	36,651	35,528
	<u>799,379</u>	<u>454,897</u>

7. Creditors: amounts falling within one year

	2001	2000
	£	£
Bank Overdraft	19,536	102,354
Trade creditors	376,651	259,104
Corporation tax	26,957	-
Social security and other taxes	19,767	18,674
Director's current account	15	-
Other creditors	459,280	126,086
	<u>902,206</u>	<u>506,218</u>

The bank overdraft is secured by a fixed and floating charge over the assets of the company.

8. Share capital

	2001	2000
	£	£
Authorised		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

9. Revaluation reserve

	£
Surplus on revaluation of tangible assets at 01.09.00	7,336
Amortisation of revaluation surplus	<u>1,001</u>
Surplus on revaluation of tangible assets at 31.08.01	<u>6,335</u>

10. Other commitments

At 31 August 2001, the company had annual under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2001	2000	2001	2000
	£	£	£	£
Expiry date:				
Within one year	-	-	6,643	4,912
Between two and five years	30,965	-	13,009	6,626

11. Transactions with the director

The company's sole director is J K Noakes and his transactions with the company during the year are as follows:

	£
Director's current account	
Balance due from the director at 01.09.00	20,785
Dividend payable	(31,000)
Loan to director on 12.06.00	10,000
Formation expenses in respect of Acorn Environmental Services Limited, a dormant company in which J K Noakes is sole director and shareholder	200
	<hr/>
Balance due to the director at 31.08.01	<u>(15)</u>

In addition, a loan of £2000 was made to Mrs J Noakes, the director's mother, in July 2001 and was outstanding and included in debtors at the year-end. The loan has been repaid before the year-end.

The director is also a director of M.A.C Plus Limited, a company in which he also owns one third of the issued share capital. Transactions between M.A.C Plus Limited and the company during the year, together with balances outstanding at the end of the year were as follows:

	£
Contract works invoiced to M.A.C Plus Limited, net of credits and VAT	1,652,496
Amount due from M.A.C Plus Limited at 31.08.01 In respect of contract works	518,578

The company also advanced £5,000 to M.A.C Plus Limited to provide initial working capital and this loan was outstanding and included in debtors at the year end.

J K Noakes is also sole director and shareholder of Bournes of Windsor Limited, a dormant company. During the year, the company paid professional fees of £324 (including VAT) on behalf of Bournes of Windsor Limited and this amount was outstanding and included in debtors at the year-end.