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Company Registration No. 233722 (England and Wales)

**HART & CLOUGH LTD**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2003**



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COMPANIES HOUSE

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# HART & CLOUGH LTD

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# HART & CLOUGH LTD

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2003

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The directors present their report and financial statements for the year ended 30 September 2003.

### Principal activities and review of the business

The principal activity of the company continued to be that of general printers. The principal activity of its only trading subsidiary continued to be that of print finishers.

The results for the year and the financial position at the year end were considered satisfactory during difficult trading conditions and the directors look forward to the future with optimism.

### Results and dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid amounting to £31,683. The directors do not recommend payment of a final dividend.

### Market value of land and buildings

In the opinion of the directors the market value of land and buildings exceeds the current net book value.

### Directors

The following directors have held office since 1 October 2002:

R M Clough  
B A H Clough  
P M Clough

### Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 September 2003	1 October 2002
B A H Clough	1	1
P M Clough	715	715
R M Clough	100	100

	2003	2002
Charitable donations	£	£

During the year the company made the following payments:

Charitable donations	3,940	1,054
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### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Stuart B Lodge & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

# HART & CLOUGH LTD

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

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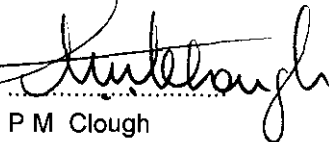
### Directors' responsibilities

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.

On behalf of the board



P M Clough

Director

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# HART & CLOUGH LTD

## INDEPENDENT AUDITORS' REPORT TO HART & CLOUGH LTD UNDER SECTION 247B OF THE COMPANIES ACT 1985

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We have examined the abbreviated accounts set out on pages 4 to 17, together with the financial statements of the company for the year ended 30 September 2003 prepared under section 226 of the Companies Act 1985.

### Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

### Basis of audit opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 financial statements.

### Opinion

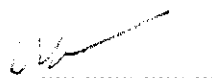
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 17 are properly prepared in accordance with that provision.

Stuart B Lodge & Co

Chartered Accountants

Registered Auditor

18 October 2003



44 Bradford Road  
Idle  
Bradford  
West Yorkshire  
BD10 9PE

# HART & CLOUGH LTD

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2003

	Notes	2003 £	2002 £
<b>Gross profit</b>		1,021,898	1,070,414
Distribution costs		(30,443)	(37,984)
Administrative expenses		(869,042)	(896,154)
Other operating income		-	-
<b>Operating profit</b>	<b>2</b>	122,413	136,276
Other interest receivable and similar income		2,672	5,797
Interest payable and similar charges	<b>3</b>	(34,296)	(42,721)
<b>Profit on ordinary activities before taxation</b>		90,789	99,352
Tax on profit on ordinary activities	<b>4</b>	(8,205)	4,575
<b>Profit on ordinary activities after taxation</b>		82,584	103,927
Dividends	<b>5</b>	(31,683)	(23,610)
<b>Retained profit for the year</b>	<b>15</b>	50,901	80,317

# HART & CLOUGH LTD

## ABBREVIATED BALANCE SHEET AS AT 30 SEPTEMBER 2003

	Notes	2003 £	£	2002 £	£
<b>Fixed assets</b>					
Tangible assets	6	1,234,132		1,298,190	
Investments	7	354,593		354,593	
		<u>1,588,725</u>		<u>1,652,783</u>	
<b>Current assets</b>					
Stocks	8	98,449		90,260	
Debtors	9	658,600		583,896	
Cash at bank and in hand		57,243		137,473	
		<u>814,292</u>		<u>811,629</u>	
<b>Creditors: amounts falling due within one year</b>	10	(425,605)		(464,275)	
<b>Net current assets</b>		<u>388,687</u>		<u>347,354</u>	
<b>Total assets less current liabilities</b>		<u>1,977,412</u>		<u>2,000,137</u>	
<b>Creditors: amounts falling due after more than one year</b>	11	(1,091,817)		(1,167,143)	
<b>Provisions for liabilities and charges</b>	12	(1,700)		-	
		<u>883,895</u>		<u>832,994</u>	
<b>Capital and reserves</b>					
Called up share capital	14	3,076		3,076	
Profit and loss account	15	880,819		829,918	
<b>Shareholders' funds - equity interests</b>	16	<u>883,895</u>		<u>832,994</u>	

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

The financial statements were approved by the Board on 16 Dec '03

*Richard Clough*

R M Clough  
Director

# HART & CLOUGH LTD

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2003

	2003 £	2002 £
<b>Net cash inflow from operating activities</b>	123,589	421,152
<b>Returns on investments and servicing of finance</b>		
Interest received	2,672	5,797
Interest paid	(34,296)	(42,721)
<b>Net cash outflow for returns on investments and servicing of finance</b>	(31,624)	(36,924)
<b>Taxation</b>	-	2,502
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(41,427)	(72,250)
Receipts from sales of tangible assets	9,150	32,815
<b>Net cash outflow for capital expenditure</b>	(32,277)	(39,435)
<b>Equity dividends paid</b>	(31,683)	(23,610)
<b>Net cash inflow before management of liquid resources and financing</b>	28,005	323,685
<b>Financing</b>		
Other new short term loans	698	1,412
Repayment of long term bank loan	(75,310)	(75,310)
Repayment of other long term loans	(27,283)	(21,021)
Repayment of other short term loans	(6,340)	(5,396)
Capital element of hire purchase contracts	-	(65,725)
<b>Net cash outflow from financing</b>	(108,235)	(166,040)
<b>(Decrease)/increase in cash in the year</b>	(80,230)	157,645



# HART & CLOUGH LTD

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2003

1 Reconciliation of operating profit to net cash inflow from operating activities		2003	2002
		£	£
Operating profit		122,413	136,276
Depreciation of tangible assets		139,128	157,267
Profit on disposal of tangible assets		(3,626)	(14,927)
(Increase)/decrease in stocks		(8,189)	26,825
(Increase)/decrease in debtors		(74,704)	99,680
(Decrease)/Increase in creditors within one year		(51,433)	16,031
<b>Net cash inflow from operating activities</b>		<b>123,589</b>	<b>421,152</b>

2 Analysis of net debt	1 October 2002	Cash flow	Other non-cash changes	30 September 2003
	£	£	£	£
Net cash:				
Cash at bank and in hand	137,473	(80,230)	-	57,243
Debt:				
Finance leases	(51,327)	51,905	(91,072)	(90,494)
Debts falling due within one year	(104,881)	5,642	-	(99,239)
Debts falling due after one year	(1,149,103)	102,593	-	(1,046,510)
	(1,305,311)	160,140	(91,072)	(1,236,243)
<b>Net debt</b>	<b>(1,167,838)</b>	<b>79,910</b>	<b>(91,072)</b>	<b>(1,179,000)</b>

3 Reconciliation of net cash flow to movement in net debt	2003	2002
	£	£
(Decrease)/increase in cash in the year	(80,230)	157,645
Cash outflow from decrease in debt and lease financing	160,140	165,040
Change in net debt resulting from cash flows	79,910	322,685
New finance lease	(91,072)	(18,140)
<b>Movement in net debt in the year</b>	<b>(11,162)</b>	<b>304,545</b>
Opening net debt	(1,167,838)	(1,472,383)
<b>Closing net debt</b>	<b>(1,179,000)</b>	<b>(1,167,838)</b>

# HART & CLOUGH LTD

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2003

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land & buildings	1% straight line
Plant & machinery	15% - 25% straight line
Fixtures & equipment	15% - 25% straight line
Motor vehicles	25% straight line

#### 1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.7 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

#### 1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

#### 1.9 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

#### 1.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

# HART & CLOUGH LTD

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

<b>2</b>	<b>Operating profit</b>	<b>2003</b>	<b>2002</b>
		<b>£</b>	<b>£</b>
	Operating profit is stated after charging:		
	Depreciation of tangible assets	139,128	157,267
	Operating lease rentals	2,796	3,428
	Auditors' remuneration	5,200	4,885
	and after crediting:		
	Profit on disposal of tangible assets	(3,626)	(14,927)
		<u>          </u>	<u>          </u>
<b>3</b>	<b>Interest payable</b>	<b>2003</b>	<b>2002</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	27,438	34,686
	Hire purchase interest	6,160	6,205
	Other interest	698	1,830
		<u>          </u>	<u>          </u>
		<u>34,296</u>	<u>42,721</u>

# HART & CLOUGH LTD

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

4	Taxation	2003	2002
		£	£
	<b>Domestic current year tax</b>		
	U.K. corporation tax	18,548	16,612
	Group relief	(12,043)	(16,612)
		<hr/>	<hr/>
	<b>Current tax charge</b>	6,505	-
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	1,700	(4,575)
		<hr/>	<hr/>
		8,205	(4,575)
		<hr/>	<hr/>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	90,789	99,352
		<hr/>	<hr/>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2002 : 19.50%)	17,250	19,374
		<hr/>	<hr/>
	Effects of:		
	Non deductible expenses	146	318
	Depreciation	25,745	27,756
	Capital allowances	(23,995)	(22,460)
	Tax losses utilised	-	(8,376)
	Other tax adjustments	(12,641)	(16,612)
		<hr/>	<hr/>
		(10,745)	(19,374)
		<hr/>	<hr/>
	<b>Current tax charge</b>	6,505	-
		<hr/>	<hr/>
5	Dividends	2003	2002
		£	£
	Ordinary interim paid	31,683	23,610
		<hr/>	<hr/>
		<hr/>	<hr/>

# HART & CLOUGH LTD

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

### 6 Tangible fixed assets

	Freehold land & buildings £	Plant & machinery £	Fixtures & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 October 2002	1,049,002	1,420,841	87,876	151,429	2,709,148
Additions	-	21,970	6,800	51,824	80,594
Disposals	-	-	-	(31,921)	(31,921)
At 30 September 2003	1,049,002	1,442,811	94,676	171,332	2,757,821
<b>Depreciation</b>					
At 1 October 2002	30,052	1,267,489	63,448	49,969	1,410,958
On disposals	-	-	-	(26,397)	(26,397)
Charge for the year	10,490	71,342	15,437	41,859	139,128
At 30 September 2003	40,542	1,338,831	78,885	65,431	1,523,689
<b>Net book value</b>					
At 30 September 2003	1,008,460	103,980	15,791	105,901	1,234,132
At 30 September 2002	1,018,950	153,352	24,428	101,460	1,298,190

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant & machinery £	Motor vehicles £	Total £
<b>Net book values</b>			
At 30 September 2003	30,690	90,853	121,543
At 30 September 2002	24,784	36,501	61,285
<b>Depreciation charge for the year</b>			
30 September 2003	12,970	34,386	47,356
30 September 2002	11,628	10,987	22,615

# HART & CLOUGH LTD

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

### 7 Fixed asset investments

	Shares in subsidiary undertakings £
<b>Cost</b>	
At 1 October 2002 & at 30 September 2003	<u>354,593</u>

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
Woods (Bradford) Ltd	England & Wales	Ordinary	100
Allanwood Press Ltd	England & Wales	Ordinary	100
Amadeus Press Ltd	England & Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2003 £	Profit for the year 2003 £
Woods (Bradford) Ltd	61,568	(61,623)
Allanwood Press Ltd	10,539	-
Amadeus Press Ltd	<u>654,531</u>	<u>-</u>

The principal activity of Woods (Bradford) Ltd continued to be that of print finishers, the other subsidiary companies were dormant during the two years ended 30 September 2002.

8 Stocks and work in progress	2003 £	2002 £
Raw materials and consumables	38,938	45,040
Work in progress	59,511	45,220
	<u>98,449</u>	<u>90,260</u>

# HART & CLOUGH LTD

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

9 Debtors	2003	2002
	£	£
Trade debtors	547,264	535,656
Amounts owed by subsidiary undertakings	66,478	-
Prepayments and accrued income	44,858	48,240
	<u>658,600</u>	<u>583,896</u>
10 Creditors: amounts falling due within one year	2003	2002
	£	£
Bank loans and overdrafts	75,310	75,310
Net obligations under hire purchase contracts	45,187	33,287
Trade creditors	122,197	140,545
Amounts owed to subsidiary undertakings	-	26,283
Corporation tax	6,505	-
Other taxes and social security costs	41,599	42,253
Directors' current accounts	24,504	11,639
Other creditors	23,929	29,571
Accruals and deferred income	86,374	105,387
	<u>425,605</u>	<u>464,275</u>

Included within trade creditors are amounts covered within reservation of title clauses.

# HART & CLOUGH LTD

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

11 Creditors: amounts falling due after more than one year	2003 £	2002 £
Bank loans	381,440	456,750
Other loans	-	27,283
Net obligations under hire purchase contracts	45,307	18,040
Amounts owed to subsidiary undertakings	665,070	665,070
	<u>1,091,817</u>	<u>1,167,143</u>
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments:	80,199	155,509
Wholly repayable within five years	400,480	433,405
	<u>480,679</u>	<u>588,914</u>
Included in current liabilities	(99,239)	(104,881)
	<u>381,440</u>	<u>484,033</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	75,310	99,537
In more than two years but not more than five years	225,930	228,987
In more than five years	80,199	155,509
	<u>75,310</u>	<u>99,537</u>
<b>Net obligations under hire purchase contracts</b>		
Repayable within one year	45,187	33,287
Repayable between one and five years	45,307	18,040
	<u>90,494</u>	<u>51,327</u>
Included in liabilities falling due within one year	(45,187)	(33,287)
	<u>45,307</u>	<u>18,040</u>

The Royal Bank of Scotland hold a debenture over the assets of the Company dated 26 June 1989, including a specific charge over the freehold property dated 1 November 1999.



# HART & CLOUGH LTD

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

### 12 Provisions for liabilities and charges

	Deferred tax liability £
Profit and loss account	1,700
Balance at 30 September 2003	1,700

The deferred tax liability is made up as follows:

	2003 £	2002 £
Accelerated capital allowances	1,700	-

### 13 Pension costs

#### Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund as shown below. Contributions totalling £4,969 (2002 - £4,669) were payable to the fund at the year end and are included in creditors.

	2003 £	2002 £
Contributions payable by the company for the year	84,526	84,899

### 14 Share capital

	2003 £	2002 £
<b>Authorised</b>		
5,000 Ordinary shares of £ 1 each	5,000	5,000
<b>Allotted, called up and fully paid</b>		
3,076 Ordinary shares of £ 1 each	3,076	3,076

# HART & CLOUGH LTD

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

### 15 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 2002	829,918
Retained profit for the year	50,901
	<hr/>
Balance at 30 September 2003	880,819
	<hr/>

### 16 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Profit for the financial year	82,584	103,927
Dividends	(31,683)	(23,610)
	<hr/>	<hr/>
Net addition to shareholders' funds	50,901	80,317
Opening shareholders' funds	832,994	752,677
	<hr/>	<hr/>
Closing shareholders' funds	883,895	832,994
	<hr/>	<hr/>

### 17 Financial commitments

At 30 September 2003 the company had annual commitments under non-cancellable operating leases as follows:

	2003 £	2002 £
Expiry date:		
Within one year	702	637
Between two and five years	5,243	2,636
	<hr/>	<hr/>
	5,945	3,273
	<hr/>	<hr/>

### 18 Directors' emoluments

	2003 £	2002 £
Emoluments for qualifying services	156,939	152,937
Company pension contributions to money purchase schemes	44,954	55,806
	<hr/>	<hr/>
	201,893	208,743
	<hr/>	<hr/>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2002 - 2).

# HART & CLOUGH LTD

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2003

### 19 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

	2003 Number	2002 Number
Production staff	26	26
Office and Management	15	15
	<u>41</u>	<u>41</u>

#### Employment costs

	£	£
Wages and salaries	855,302	864,868
Social security costs	88,282	86,221
Other pension costs	84,526	84,899
	<u>1,028,110</u>	<u>1,035,988</u>