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BRADFORDS BUILDING SUPPLIES LIMITED

FINANCIAL STATEMENTS

30 APRIL 1983



Thomson McLintock & Co

Chartered Accountants

REPORT OF THE DIRECTORS

The directors have pleasure in submitting their report together with the audited financial statements for the year ended 30 April 1983.

ACTIVITIES

The company's principal activity continues to be that of merchanting of building materials.

RESULTS

The results for the year are shown in the profit and loss account on page 4. The directors do not recommend the payment of a final dividend.

DIRECTORS

The directors of the company who served throughout the year were:

Mr M K Merriam
Mr P S Bradford
Mr D H Bradford
Mr J F Clarke
Mr G King
Mr M K Bool
Mr M J David

Mr G T Lucas resigned as a director of the company on 28 February 1983. Messrs D H Bradford, M K Bool and J F Clarke retire by rotation in accordance with the Articles and Association and, being eligible, offer themselves for re-election.

DIRECTORS INTERESTS

The interests of Messrs M K Merriam and P S Bradford in the share capital of the group of which this company is a member are disclosed in the financial statements of the ultimate holding company, Bradford and Sons Limited.

The interests of D H Bradford in the share capital of Bradford and Sons Limited is as follows:

	1983 Number	1982 Number
Mr D H Bradford Ordinary shares of £1 each	3,460	3,460

None of the other directors had any interest in the share capital of the group.

REPORT OF THE DIRECTORS (CONTINUED)

FURTHER INFORMATION

Employees and remuneration:

The average number of persons employed during the year was 194 and their aggregate remuneration was £950,346.

Income and Corporation Taxes Act 1970:

The company is a close company within the meaning of the terms of the above act.

AUDITORS

Thomson McLintock & Co, Chartered Accountants, who were appointed during the year have indicated their willingness to continue in office and their re-appointment will be proposed at the annual general meeting.

By order of the board
M J DAVID
Secretary

96 Hendford Hill
Yeovil
Somerset
20 September 1983

REPORT OF THE AUDITORS TO THE MEMBERS OF
BRADFORDS BUILDING SUPPLIES LIMITED

Bristol. 27 September 1983. We have audited the financial statements on pages 4 to 9 in accordance with approved auditing standards.

In our opinion the financial statements, which have been prepared under the historical cost convention give a true and fair view of the state of the company's affairs at 30 April 1983 and of its profit for the year then ended and comply with the Companies Acts 1948 to 1981.

The financial statements do not include a statement of source and application of funds. Such a statement has been prepared on a group basis and is disclosed in the financial statements of the ultimate holding company.

Thomson McLintock & Co

THOMSON McLINTOCK & CO
Chartered Accountants

THESE ACCOUNTS ARE
PROVISIONAL UNTIL THIS
REPORT HAS BEEN SIGNED
IN INK

PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 APRIL 1983

	Note	1983 £	1982 £
TURNOVER	1	9,067,312	7,895,568
PROFIT BEFORE TAXATION	2	412	125,144
Taxation	4	41,683	(9,761)
PROFIT AFTER TAXATION		42,095	115,383
DIVIDENDS	5	-	111,000
		42,095	4,383
Revenue reserves brought forward		148,270	110,610
Transfer from capital reserve		-	33,277
Goodwill written off		(30,000)	-
Revenue reserves carried forward	10	160,365	148,270


BALANCE SHEET
30 APRIL 1983

	Note	1983 £	1982 £
CURRENT ASSETS			
Stock	1,6	1,925,554	1,731,868
Debtors		1,467,058	1,201,505
Cash		1,195	1,190
Taxation		19,700	-
		3,413,507	2,934,563
LESS: CURRENT LIABILITIES			
Creditors		816,095	642,270
Bank overdraft (secured)		869,561	413,600
Taxation		-	40,500
Proposed dividend	5	-	81,621
		1,685,656	1,177,991
NET CURRENT ASSETS		1,727,851	1,756,572
FIXED ASSETS	7	310,177	342,491
GROUP COMPANIES	8	(1,738,179)	(1,790,164)
		299,849	308,899
Representing:			
SHARE CAPITAL	9	40,000	40,000
RESERVES	10	162,465	150,370
		202,465	190,370
DEFERRED TAXATION		97,384	118,529
		299,849	308,899

DIRECTORS

M K Merriam

P S Bradford



NOTES TO THE ACCOUNTS
30 APRIL 1983

1 ACCOUNTING POLICIES

Basis of preparation:

The financial statements have been prepared under the historical cost convention, and in accordance with s149A and Schedule 8A of the Companies Act 1948.

Turnover:

Turnover consists of the net amounts invoiced to customer in respect of deliveries during the year, less discounts.

Stocks:

Stocks are valued on a first in first out basis at net invoice values charged by suppliers or net realisable values, if lower.

Depreciation:

Fixed assets are depreciated on a straight line basis over the following periods:

Plant and machinery, office machinery and furniture and fittings	5 or 10 years
Heavy commercial vehicles	8 years
Other vehicles	5 or 6 years

Deferred taxation:

The directors consider that deferred taxation should be provided on a conservative basis as they are unable to confirm with reasonable certainty that no liability is likely to arise for at least 3 years. Accordingly provision has been made for 75% of tax deferred by accelerated capital allowances on plant, equipment and vehicles.

Repairs and renewals:

No provision is made for future repairs and renewals, all such items being written off as incurred.

2 PROFIT BEFORE TAXATION

This has been arrived at after charging the following:

	1983 £	1982 £
Depreciation	69,701	72,017
Hire of vehicles and equipment	12,276	16,452
Auditors' remuneration, including expenses	13,500	12,000
Directors emoluments (see note 3 below)	70,513	64,672

NOTES TO THE ACCOUNTS (CONTINUED)
30 APRIL 1983

3 DIRECTORS' EMOLUMENTS

	1983	1982
	£	£
Fees	-	-
Other emoluments	70,513	64,672
	<u>70,513</u>	<u>64,672</u>

The chairman and highest paid director were also directors of the ultimate holding company and as such their remuneration is disclosed in the financial statements of that company.

The other directors received emoluments in the ranges as shown below:

	Number	Number
£Nil	-	1
£5,001 ~ £10,000	-	1
£10,001 - £15,000	5	4

4 TAXATION

	1983	1982
	£	£
Group relief receivable/(payable) at 52%	15,500	(27,061)
Transfer from deferred taxation	25,169	18,403
	<u>40,669</u>	<u>(8,658)</u>
Adjustment in respect of prior years	1,014	(1,103)
	<u>41,683</u>	<u>(9,761)</u>

The tax charge for the year has been increased, in terms of tax, by an excess of depreciation over accelerated capital allowances not previously provided for as deferred taxation amounting to £11,990 (1982 £6,134) and reduced by stock appreciation relief amounting to £54,061 (1982 £65,634).

5 DIVIDENDS

	1983	1982
	£	£
Interim paid	-	29,378
Final proposed	-	81,621
	<u>-</u>	<u>111,000</u>

6 STOCK

	£	£
Goods for resale	1,921,406	1,724,403
Sundry stocks	4,148	7,465
	<u>1,925,554</u>	<u>1,731,868</u>

NOTES TO THE ACCOUNTS (CONTINUED)
30 APRIL 1983

7 FIXED ASSETS

	Cost £	1983 Depreci- ation £	Net book value £	1982 Net book value £
Short leasehold properties	11,052	600	10,452	4,600
Plant and equipment and motor vehicles	625,673	325,948	299,725	337,891
	<u>636,725</u>	<u>326,548</u>	<u>310,177</u>	<u>342,491</u>
Movements during year:				
		Short leasehold £	Plant equipment and motor vehicles £	Total £
Net book value 1 May 1982		4,600	337,891	342,491
Additions at cost		8,052	60,102	68,154
Transfers to group companies at net book value		-	(12,480)	(12,480)
Transfers from group companies at net book value		-	4,304	4,304
Disposals at net book value		(2,000)	(20,591)	(22,591)
Depreciation for the year		(200)	(69,501)	(69,701)
Net book value 30 April 1983		<u>10,452</u>	<u>299,725</u>	<u>310,177</u>

The short leasehold properties are at valuation in 1980.

8 GROUP COMPANIES

	1983 £	1982 £
Amounts due to parent company	(1,670,921)	(1,703,373)
Amounts due to fellow subsidiaries	(109,553)	(103,708)
Amounts due from fellow subsidiaries	42,295	16,917
	<u>(1,738,179)</u>	<u>(1,790,164)</u>

The whole of the issued share capital of the company is owned by Bradford and Sons Limited, which is the ultimate holding company and which is incorporated in the United Kingdom.

9 SHARE CAPITAL

	1983 £	1982 £
Authorised, issued and fully paid Ordinary shares of £1 each	<u>40,000</u>	<u>40,000</u>

NOTES TO THE ACCOUNTS (CONTINUED)
30 APRIL 1983

10 RESERVES

	1983
	£
Capital reserve	2,100
Revenue reserves	160,365
Total reserves	<u>162,465</u>

Of the total reserves £2,100 is unrealised and is not available for distribution.

11 DEFERRED TAXATION

	1983	1982
	£	£
Taxation deferred at 52% arises as follows:		
Accelerated capital allowances	<u>97,384</u>	<u>118,529</u>

As stated in note 1 provision is made for 75% of the taxation deferred by accelerated capital allowances on plant, equipment and vehicles. The potential liability not provided at 30 April 1983 amounted to £32,460 (1982 £39,510).

12 CAPITAL COMMITMENTS

	1983	1982
	£	£
Authorised but not contracted for	4,000	-
Contracted for but not provided	<u>22,020</u>	<u>11,250</u>
	<u>26,020</u>	<u>11,250</u>

13 CONTINGENT LIABILITIES

In accordance with group policy, the company has guaranteed the overdrafts of other group companies, which at 30 April 1983 amounted to £751,718.

14 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the board of directors on 20 September 1983.