

REGISTERED NUMBER: 314850 (England and Wales)

Abbreviated Financial Statements for the Year Ended 31 December 1996

for

A ANDREWS & SONS (MARBLES & TILES)
LIMITED



A ANDREWS & SONS (MARBLES & TILES)
LIMITED

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for the Year Ended 31 December 1996

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A ANDREWS & SONS (MARBLES & TILES)
LIMITED

Company Information
for the Year Ended 31 December 1996

DIRECTORS:	C R Pogson I Taylor J D Whalley
SECRETARY:	J D Whalley
REGISTERED OFFICE:	324/330 Meanwood Road Leeds LS7 2JE
REGISTERED NUMBER:	314850 (England and Wales)
AUDITORS:	Ingram Nolan & Co. Chartered Accountants Registered Auditor St. Michael's House 281 Meanwood Road Leeds LS7 2JA
BANKERS:	Yorkshire Bank plc. 7 Capitol Parade Leeds LS7 4JA

A ANDREWS & SONS (MARBLES & TILES)
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Report of the Directors
for the Year Ended 31 December 1996

The directors present their report with the financial statements of the company for the year ended 31 December 1996.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the supply and fixing of ceramic and terrazzo tiles and natural stones.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of £8 per share.

The total distribution of dividends for the year ended 31 December 1996 will be £48,136.

DIRECTORS

The directors during the year under review were:

C R Pogson
I Taylor
J D Whalley

The beneficial interests of the directors holding office on 31 December 1996 in the issued share capital of the company were as follows:

	31.12.96	1.1.96
Ordinary £1 shares		
C R Pogson	1,135	1,070
I Taylor	973	746
J D Whalley	412	208

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 judgments 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.

A ANDREWS & SONS (MARBLES & TILES)
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Report of the Directors
for the Year Ended 31 December 1996

AUDITORS

The auditors, Ingram Nolan & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



J D Whalley - SECRETARY

Dated: 23 June 1997

A ANDREWS & SONS (MARBLES & TILES)
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Report of the Auditors to
A ANDREWS & SONS (MARBLES & TILES)
LIMITED

Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages five to fifteen, together with the full financial statements of the company for the year ended 31 December 1996 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

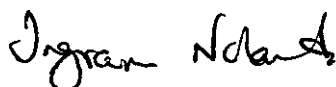
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance 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 five to fifteen are properly prepared in accordance with that provision.



Ingram Nolan & Co.
Chartered Accountants
Registered Auditor
St. Michael's House
281 Meanwood Road
Leeds
LS7 2JA

Dated: 23 June 1997

A ANDREWS & SONS (MARBLES & TILES)
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Abbreviated Profit and Loss Account
for the Year Ended 31 December 1996

		<u>1996</u>		<u>1995</u>	
	Notes	£	£	£	£
GROSS PROFIT			2,755,187		3,175,874
Staff costs	2	2,156,927		2,579,535	
Depreciation		101,685		106,025	
Other operating charges		<u>316,797</u>		<u>339,720</u>	
			<u>2,575,409</u>		<u>3,025,280</u>
OPERATING PROFIT	3		179,778		150,594
Income from investments		6,300		10,944	
Interest receivable and similar income	4	<u>46,937</u>		<u>59,218</u>	
			<u>53,237</u>		<u>70,162</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			233,015		220,756
Tax on profit on ordinary activities	5		<u>57,832</u>		<u>49,745</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			175,183		171,011
Dividends	6		<u>48,136</u>		<u>48,136</u>
			127,047		122,875
Retained profit brought forward			<u>2,032,908</u>		<u>1,910,033</u>
RETAINED PROFIT CARRIED FORWARD			<u>£2,159,955</u>		<u>£2,032,908</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 profits for the current and previous years.

A ANDREWS & SONS (MARBLES & TILES)
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Abbreviated Balance Sheet
31 December 1996

		1996		1995	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	8		763,878		778,350
Investments	9		428,491		409,092
			<u>1,192,369</u>		<u>1,187,442</u>
CURRENT ASSETS:					
Stocks	10	798,889		923,935	
Debtors	11	695,315		446,758	
Cash at bank and in hand		824,462		829,841	
		<u>2,318,666</u>		<u>2,200,534</u>	
CREDITORS: Amounts falling due within one year	12	1,334,599		1,338,587	
NET CURRENT ASSETS:			<u>984,067</u>		<u>861,947</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£2,176,436</u>		<u>£2,049,389</u>
CAPITAL AND RESERVES:					
Called up share capital	14		6,017		6,017
Other reserves	15		10,464		10,464
Profit and loss account			2,159,955		2,032,908
Shareholders' funds	17		<u>£2,176,436</u>		<u>£2,049,389</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:

C R Pogson - DIRECTOR



I Taylor - DIRECTOR



Approved by the Board on 23 June 1997

The notes form part of these financial statements

A ANDREWS & SONS (MARBLES & TILES)
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Cash Flow Statement
for the Year Ended 31 December 1996

		<u>1996</u>		<u>1995</u>	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		98,555		251,149
Returns on investments and servicing of finance	2		53,237		70,162
Taxation			(50,255)		(98,868)
Capital expenditure and financial investment	2		(58,780)		(161,017)
Equity dividends paid			(48,136)		(48,136)
(Decrease)/Increase in cash in the period			<u>£(5,379)</u>		<u>£13,290</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
(Decrease)/Increase in cash in the period			<u>(5,379)</u>		<u>13,290</u>
Change in net funds resulting from cash flows			<u>(5,379)</u>		<u>13,290</u>
Movement in net funds in the period			(5,379)		13,290
Net funds at 1 January 1996			<u>829,841</u>		<u>816,551</u>
Net funds at 31 December 1996			<u>£824,462</u>		<u>£829,841</u>

The notes form part of these financial statements

A ANDREWS & SONS (MARBLES & TILES)
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Notes to the Cash Flow Statement
for the Year Ended 31 December 1996

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1996 £	1995 £
Operating profit	179,778	150,594
Depreciation charges	107,337	111,719
Profit on sale of fixed assets / investments	(53,484)	(43,005)
Decrease/(Increase) in stocks	125,046	(349,780)
(Increase)/Decrease in debtors	(248,557)	356,003
(Decrease)/Increase in creditors	<u>(11,565)</u>	<u>25,618</u>
Net cash inflow from operating activities	<u>98,555</u>	<u>251,149</u>

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

	1996 £	1995 £
Returns on investments and servicing of finance		
Interest received	46,937	59,218
Dividends received	<u>6,300</u>	<u>10,944</u>
Net cash inflow for returns on investments and servicing of finance	<u>53,237</u>	<u>70,162</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(95,663)	(264,632)
Cash payments - investmt purch	(264,173)	(185,114)
Sale of tangible fixed assets	8,450	41,722
Cash receipts - investmt sales	<u>292,606</u>	<u>247,007</u>
Net cash outflow for capital expenditure	<u>(58,780)</u>	<u>(161,017)</u>

The notes form part of these financial statements

A ANDREWS & SONS (MARBLES & TILES)
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Notes to the Cash Flow Statement
for the Year Ended 31 December 1996

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.96 £	Cash flow £	At 31.12.96 £
Net cash:			
Cash at bank and in hand	<u>829,841</u>	<u>(5,379)</u>	<u>824,462</u>
	<u>829,841</u>	<u>(5,379)</u>	<u>824,462</u>
 Total	 <u>829,841</u>	 <u>(5,379)</u>	 <u>824,462</u>
 Analysed in Balance Sheet			
Cash at bank and in hand	<u>829,841</u>		<u>824,462</u>
	<u>829,841</u>		<u>824,462</u>

The notes form part of these financial statements

A ANDREWS & SONS (MARBLES & TILES)
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Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 1996

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Turnover

The turnover comprises the net amount invoiced to customers in respect of work done and goods supplied during the year stated net of value added tax.

Tangible fixed assets

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

Freehold property	- Nil - See below
Plant and equipment	- 15% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on cost
Computer equipment	- 20% on cost

The freehold property is maintained to a high standard and depreciation is not provided on the property as in the directors opinion the residual value is equal to the carrying value shown in the accounts. This accounting treatment is not in accordance with SSAP 12 . The directors are of the opinion that to comply with the standard would not show a true and fair view of the company's financial position. The applicable annual charge based on a 50 year economic useful life is £9,100.

Stocks

Stocks are valued at the lower of cost or estimated net realisable value and, where appropriate, includes a proportion of production overheads.

Cash received on account of work in progress is £921,061 (1995 - £1,927,443). Work in progress is shown net after deduction of cash received on account but, where on any contract the cash on account received is greater than the work in progress valuation, the excess is shown under trade creditors. 1996 £161,183 (1995 - £328,268).

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.

Pensions

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. Contributions payable for the year are charged in the profit and loss account.

Operating leases

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

Debtors

Trade debtors are shown net after provision has been made for potential bad and doubtful debts of £34,242 (1995 - £47,115).

A ANDREWS & SONS (MARBLES & TILES)
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Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 1996

2. STAFF COSTS

	1996	1995
	£	£
Wages and salaries	1,902,850	2,190,786
Social security costs	187,985	201,765
Other pension costs	<u>66,092</u>	<u>186,984</u>
	<u><u>2,156,927</u></u>	<u><u>2,579,535</u></u>

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

	1996	1995
Contracts, stores & distribution	87	93
Administration	<u>28</u>	<u>29</u>
	<u><u>115</u></u>	<u><u>122</u></u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	1996	1995
	£	£
Hire of plant and machinery	51,198	72,191
Depreciation - owned assets	107,337	111,718
Profit on disposal of fixed assets	(5,652)	(5,694)
Auditors' remuneration	11,500	11,000
Profit on investment disposals	(47,832)	(37,311)
Pensions to ex directors and dependents	<u>24,724</u>	<u>28,571</u>
Directors' emoluments (see below)	<u><u>276,973</u></u>	<u><u>431,040</u></u>

Details of individual emoluments, excluding pension contributions, were as follows:

	1996	1995
	£	£
Chairman	96,389	121,492

These emoluments are included in the information which follows.

The directors' emoluments, excluding pension contributions, fell within the following ranges:

	1996	1995
£50,001 - £55,000	-	1
£65,001 - £70,000	1	-
£85,001 - £90,000	1	-
£95,001 - £100,000	1	-
£115,001 - £120,000	-	1
£120,001 - £125,000	-	1

**A ANDREWS & SONS (MARBLES & TILES)
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**Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 1996**

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	1996 £	1995 £
Bank & building society interest	<u>46,937</u>	<u>59,218</u>
	<u>46,937</u>	<u>59,218</u>

5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	1996 £	1995 £
UK Corporation Tax	56,000	46,500
Tax credits attributable to dividends received	462	582
Tax paid on building society interest	893	1,130
Tax paid on unit trust distribution	798	1,604
Corporation tax prior year adjustment	<u>(321)</u>	<u>(71)</u>
	<u>57,832</u>	<u>49,745</u>

UK Corporation Tax has been charged at 24.25% (1995 - 25%).

6. DIVIDENDS

	1996 £	1995 £
Equity shares: Final	<u>48,136</u>	<u>48,136</u>

7. DEFERRED TAXATION

The maximum potential liability to deferred taxation, including the amount for which provision has been made is as follows:

	Provided		Maximum Potential Liability	
	1996 £	1995 £	1996 £	1995 £
Accelerated Capital Allowances	<u>Nil</u>	<u>Nil</u>	<u>4,800</u>	<u>6,700</u>

**A ANDREWS & SONS (MARBLES & TILES)
LIMITED**

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 1996**

8. TANGIBLE FIXED ASSETS

	<u>Freehold property</u>	<u>Plant and equipment</u>	<u>Fixtures and fittings</u>
	£	£	£
COST:			
At 1 January 1996	404,092	405,443	88,067
Additions	<u>29,946</u>	<u>2,500</u>	<u>975</u>
At 31 December 1996	<u>434,038</u>	<u>407,943</u>	<u>89,042</u>
DEPRECIATION:			
At 1 January 1996	-	246,744	54,279
Charge for year	<u>-</u>	<u>24,180</u>	<u>3,476</u>
At 31 December 1996	<u>-</u>	<u>270,924</u>	<u>57,755</u>
NET BOOK VALUE:			
At 31 December 1996	<u>434,038</u>	<u>137,019</u>	<u>31,287</u>
At 31 December 1995	<u>404,092</u>	<u>158,699</u>	<u>33,788</u>

	<u>Motor vehicles</u>	<u>Computer equipment</u>	<u>Totals</u>
	£	£	£
COST:			
At 1 January 1996	332,155	39,412	1,269,169
Additions	62,242	-	95,663
Disposals	<u>(46,431)</u>	<u>-</u>	<u>(46,431)</u>
At 31 December 1996	<u>347,966</u>	<u>39,412</u>	<u>1,318,401</u>
DEPRECIATION:			
At 1 January 1996	158,608	31,188	490,819
Charge for year	77,625	2,056	107,337
Eliminated on disposals	<u>(43,633)</u>	<u>-</u>	<u>(43,633)</u>
At 31 December 1996	<u>192,600</u>	<u>33,244</u>	<u>554,523</u>
NET BOOK VALUE:			
At 31 December 1996	<u>155,366</u>	<u>6,168</u>	<u>763,878</u>
At 31 December 1995	<u>173,547</u>	<u>8,224</u>	<u>778,350</u>

A ANDREWS & SONS (MARBLES & TILES)
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Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 1996

9. FIXED ASSET INVESTMENTS

	1996	1995
	£	£
Quoted shares at cost	-	56,190
Unit trusts at cost	378,491	302,902
Investment fund at cost	<u>50,000</u>	<u>50,000</u>
	<u>428,491</u>	<u>409,092</u>
Market value	<u>451,423</u>	<u>462,439</u>

10. STOCKS

	1996	1995
	£	£
Stock	243,125	292,625
Work in progress	<u>555,764</u>	<u>631,310</u>
	<u>798,889</u>	<u>923,935</u>

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

	1996	1995
	£	£
Trade debtors	671,502	418,483
Prepayments	<u>23,813</u>	<u>28,275</u>
	<u>695,315</u>	<u>446,758</u>

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

	1996	1995
	£	£
Trade creditors	831,615	797,363
Dividend proposed	48,136	48,136
Social security & other taxes	267,518	248,253
Taxation	45,270	37,693
Accrued expenses	<u>142,060</u>	<u>207,142</u>
	<u>1,334,599</u>	<u>1,338,587</u>

13. PROVISIONS FOR LIABILITIES AND CHARGES

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

	1996	1995
	£	£
Accelerated capital allowances	<u>4,800</u>	<u>6,700</u>