

H.R. HIGGINS (COFFEE-MAN) LIMITED

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ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 1982

Kingston Smith & Co Chartered Accountants

Devonshire House
146 Bishopsgate
London EC2M 4JX

370 Uxbridge Road
Hayes
Middlesex UB4 0SE



H.R. HIGGINS (COFFEE-MAN) LIMITED

THIRTY-FOURTH ANNUAL REPORT

AND

ACCOUNTS

FOR THE YEAR ENDED

31st MARCH 1982

NOTICE IS HEREBY GIVEN that the Thirty-Fourth Annual General Meeting of the Members of H.R. Higgins (Coffee-Man) Limited will be held at 42 South Molton Street, London, W1Y 2BD on 24th January 1983 for the purpose of transacting the following business:

1. To receive the Balance Sheet at 31st March 1982 with the Directors' Report thereon.
2. To confirm that no Dividend be paid for the year.
3. To elect a Director. Mr. H.A. Higgins being eligible offers himself for re-election.
4. To appoint the Auditors, Messrs. Kingston Smith & Co.
5. To transact any other ordinary business of the Company.

By Order of the Board

E. A. Higgins

E.A. HIGGINS
Secretary

42 South Molton Street,
London, W1Y 2BD.

3rd January 1983

H.R. HIGGINS (COFFEE-MAN) LIMITED

REPORT OF THE DIRECTORS

The Directors present their Report and audited Accounts of the Company for the year ended 31st March 1982.

Activities

The principal activity of the Company was that of coffee merchants. The Company maintained its position as coffee merchant to Her Majesty the Queen.

Results

Trading for the year resulted in a Profit of £32,977 (1981 - £97,859) after a taxation charge of £11,627 (1981 - £85,146 CR). No dividend is recommended and it is proposed that the balance on Profit and Loss Account of £230,453 be carried forward.

No goods were exported during the year.

Directors

The Directors who served during the year under review and their interest in the share capital of the Company, as defined by the Companies Act 1967, were as set out below:

	<u>31.3.82</u>	<u>31.3.81</u>
Mr. H.A. Higgins	1,720	1,720
Miss E.A. Higgins	1,720	1,720

Mr. H.A. Higgins and Miss E.A. Higgins have beneficial interests in the 1,000 shares in the estate of Mrs. E.M. Higgins.

In accordance with the Articles of Association, Mr. H.A. Higgins retires by rotation and being eligible offers himself for re-election.

Fixed Assets

Fixed Asset additions are shown in Note 2 to the Accounts. In the opinion of the Directors the market value of the lease is substantial.

At the 31st March 1982 the Board had approved Capital Expenditure of £250,000.

Auditors

Messrs. Kingston Smith & Co. have intimated their willingness to continue in office and it is the intention to propose that in accordance with the provisions of the Companies Act that they be re-appointed auditors for the ensuing year.

By Order of the Board

E. A. Higgins

E.A. HIGGINS
Secretary

REPORT OF THE AUDITORS TO THE MEMBERS OF

H.R. HIGGINS (COFFEE-MAN) LIMITED

We have audited the financial statements on pages three to seven 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 31st March 1982 and of its Profit and Source and Application of Funds for the year ended on that date and comply with the Companies Acts 1948 to 1981.

KINGSTON SMITH & CO.
Chartered Accountants

Devonshire House,
146 Bishopsgate,
London, EC2M 4JX.

3rd January 1983

H.R. HIGGINS (COFFEE-MAN) LIMITED

BALANCE SHEET

31st MARCH 1982

	<u>Note</u>	<u>1982</u>	<u>1981</u>
<u>FIXED ASSETS</u>	1(b)&2	8,646	10,518
<u>CURRENT ASSETS</u>			
Stock	1(d)	160,839	148,917
Sundry Debtors and Prepayments		22,910	19,613
Corporation Tax Recoverable		630	17,213
Cash with Building Society		20,000	20,000
Cash at Bank and in Hand		<u>246,903</u>	<u>185,431</u>
		451,282	391,174
<u>LESS: CURRENT LIABILITIES</u>			
Sundry Creditors		211,464	198,218
Corporation Tax	7	<u>12,153</u>	<u>-</u>
		223,617	198,218
		<u>227,665</u>	<u>192,956</u>
		236,311	203,474
<u>DEFERRED TAXATION</u>	1(c)&4	(1,418)	(1,558)
<u>NET ASSETS</u>		<u>£234,893</u>	<u>£201,916</u>

Financed by:

<u>SHARE CAPITAL</u>	<u>Authorised</u>	<u>Issued and Fully Paid</u>	<u>Authorised</u>	<u>Issued and Fully Paid</u>
Divided into 8,000 Shares of £1 each	<u>£8,000</u>	4,440	<u>£8,000</u>	4,440
<u>RESERVE</u>				
Profit and Loss Account		<u>230,453</u>		<u>197,476</u>
		<u>£234,893</u>		<u>£201,916</u>

Approved by the Board on 3rd January 1983

<i>H.A. Higgins</i>	}	DIRECTORS
H.A. HIGGINS		
<i>E.A. Higgins</i>	}	
E.A. HIGGINS		

H.R. HIGGINS (COFFEE-MAN) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 1982

	<u>Note</u>	<u>1982</u>	<u>1981</u>
<u>PROFIT FOR THE YEAR</u>		44,604	12,713
after charging:			
Directors' Emoluments	5	28,934	75,721
Directors' Pension		24,339	28,678
Auditors' Remuneration		2,000	1,500
Depreciation	2	<u>2,881</u>	<u>3,505</u>
after crediting:			
Bank Interest Receivable		23,946	20,709
Building Society Interest		<u>2,362</u>	<u>2,607</u>
<u>PROFIT BEFORE TAXATION</u>		44,604	12,713
<u>TAXATION</u>	3	11,627	85,146 CR
<u>PROFIT AFTER TAXATION</u>		32,977	97,859
<u>RETAINED PROFITS BROUGHT FORWARD</u>		197,476	99,617
<u>RETAINED PROFITS AT 31st MARCH 1982</u>		<u>£230,453</u>	<u>£197,476</u>

H.R. HIGGINS (COFFEE-MAN) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 1982

1. ACCOUNTING POLICIES

(a) Accounting Convention

The Accounts have been prepared under the historical cost convention. The Company is not yet required to comply with the accounting and disclosure provisions of Part I of the Companies Act 1981. The Company's Accounts have therefore been prepared in accordance with Section 149A of, and Schedule 8A to, the Companies Act 1948.

(b) Depreciation

The Company's policy is to write off the book value of each fixed asset by the reducing balance method, over its estimated life. The rate used for Plant, Fixtures and Fittings and Motor Vehicles is 25%.

(c) Deferred Taxation

Deferred Taxation is accounted for on the liability method in respect of the taxation effects of all timing differences at the Corporation Tax rate of 52%.

(d) Stocks

Stocks of Coffee and Equipment have been valued at the lower of cost and net realisable value.

2. FIXED ASSETS

<u>Cost</u>	<u>Plant, Fixtures and Fittings</u>	<u>Trade Marks and Goodwill</u>	<u>Motor Vehicle</u>	<u>Total</u>
At 1st April 1981	13,815	1	9,775	23,591
Additions	<u>1,009</u>	<u>-</u>	<u>-</u>	<u>1,009</u>
At 31st March 1982	£14,824	£1	£9,775	£24,600
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Aggregate Depreciation</u>				
At 1st April 1981	10,630	-	2,443	13,073
Charge for the year	<u>1,048</u>	<u>-</u>	<u>1,833</u>	<u>2,881</u>
At 31st March 1982	£11,678	£ -	£4,276	£15,954
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Net Book Value</u>				
At 31st March 1982	<u>£3,146</u>	<u>£1</u>	<u>£5,499</u>	<u>£8,646</u>
At 31st March 1981	<u>£3,185</u>	<u>£1</u>	<u>£7,332</u>	<u>£10,518</u>

H.R. HIGGINS (COFFEE-MAN) LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 1982 (CONTINUED)

3. TAXATION

	<u>1982</u>	<u>1981</u>
Corporation Tax on the profit for the year at 40%	13,002	-
Notional Tax on Building Society Interest	-	782
<u>Less:</u> Deferred Taxation in respect of:		
Accelerated Capital Allowances	(140)	(432)
Stock Relief no longer required under the provisions of the Finance Act 1981	-	85,005
	12,862	84,655
Adjustments in respect of previous year	<u>1,235</u>	<u>491</u>
	<u>£11,627</u>	<u>£85,146</u>

4. DEFERRED TAXATION

	<u>1982</u>		<u>1981</u>
	<u>Potential Liability</u>	<u>Provision Made</u>	<u>Potential Liability</u>
			<u>Provision Made</u>
Accelerated Capital Allowances	<u>£1,418</u>	<u>£1,418</u>	<u>£1,558</u>
			<u>£1,558</u>

The tax charge has been reduced by a Stock Relief claim of £12,532 for the current year.

5. DIRECTORS' EMOLUMENTS

	<u>1982</u>	<u>1981</u>
Chairman's Emoluments excluding Pension Contributions	<u>£14,696</u>	<u>£37,488</u>
The emoluments of the Directors were within the following scales:		
0 - £5,000		
£10,000 - £15,000	-	1
£35,001 - £40,000	2	-
	-	2

6. CAPITAL EXPENDITURE

Capital Expenditure authorised by the Board but not contracted for at 31st March 1982 £250,000 (1981 - £Nil).

7. CORPORATION TAX

Corporation Tax payable 1st January 1983	<u>£12,153</u>	<u>£ -</u>
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STATEMENT OF SOURCE AND APPLICATION OF FUNDSFOR THE YEAR ENDED 31st MARCH 1982

	<u>1982</u>	<u>1981</u>
<u>SOURCE OF FUNDS</u>		
Profit before Taxation	44,604	12,713
Adjustment for items not involving the Movement of Funds:		
Depreciation	<u>2,881</u>	<u>3,505</u>
<u>TOTAL GENERATED FROM OPERATIONS</u>	47,485	16,218
Decrease in Working Capital (as below)	-	58,821
Tax Repaid (including interest thereon)	<u>17,678</u>	-
	65,163	75,039
<u>APPLICATION OF FUNDS</u>		
Purchase of Fixed Assets	1,009	9,941
Tax Paid	709	1,173
Increase in Working Capital (as below)	<u>1,973</u>	<u>-</u>
	3,691	11,114
	61,472	63,925
<u>MOVEMENT IN NET LIQUID FUNDS</u>		
Increase in Bank and Cash Balances	<u>£61,472</u>	<u>£63,925</u>

NOTE: MOVEMENT IN WORKING CAPITAL

	<u>Source</u>	<u>Application</u>	<u>Source</u>	<u>Application</u>
Stock	-	11,922	48,877	-
Debtors	-	3,297	1,036	-
Creditors	<u>13,246</u>	<u>-</u>	<u>8,908</u>	<u>-</u>
	£13,246	£15,219	£58,821	£ -
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Increase/Decrease for the year		<u>£1,973</u>	<u>£58,821</u>	



H.R. HIGGINS (COFFEE-MAN) LIMITED
TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH 1982

	<u>1982</u>		<u>1981</u>
<u>SALES</u>	369,454		394,888
<u>LESS: COST OF SALES</u>			
Stock at 1st April 1981	148,917		197,794
Purchases	177,204		130,967
Freight and Insurance	5,291		8,952
Delivery Charges and Packing	<u>29,617</u>		<u>25,264</u>
	361,029		362,977
<u>Less: Stock at 31st March 1982</u>	<u>160,839</u>	<u>200,190</u>	<u>148,917</u>
			214,060
<u>GROSS PROFIT</u>	169,264		180,828
<u>LESS: EXPENSES</u>			
Wages and National Insurance	57,896		51,643
Rent and Rates	3,607		3,050
Insurance	1,799		1,456
Legal and Professional Fees	52		-
Printing, Postage and Stationery	5,666		4,129
Telephone and Telex Charges	1,454		1,233
Entertaining	260		665
Directors' Salaries	28,476		75,721
Directors' Pensions	24,339		28,678
Audit and Accountancy	4,000		2,500
General Expenses	2,367		2,324
Repairs and Renewals	4,521		4,973
Lighting and Heating	1,359		1,152
Bad Debts	195		241
Advertising	5,830		8,410
Motor and Travelling Expenses	6,278		1,925
Depreciation	<u>2,881</u>	<u>150,980</u>	<u>3,505</u>
		18,284	191,605
			(10,777)
<u>ADD: INCOME</u>			
Bad Debts Recovered	4		141
Bank Interest	23,946		20,709
Discounts Received	8		33
Building Society Interest	<u>2,362</u>	<u>26,320</u>	<u>2,607</u>
			23,490
<u>NET PROFIT BEFORE TAXATION</u>	<u>£ 44,604</u>		<u>£ 12,713</u>

H.R. HIGGINS (COFFEE-MAN) LIMITED

TAXATION COMPUTATIONS

BASED ON THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 1982

Profit per Accounts		44,604
Depreciation	2,881	
Entertaining	<u>259</u>	<u>3,141</u>
		47,744
<u>Less:</u> Bank Interest Received	23,946	
Capital Allowances	3,057	
Building Society Interest	<u>2,362</u>	<u>29,365</u>
		18,379
Stock Relief		<u>12,532</u>
		5,847
<u>Add:</u> Building Society Interest Received	1,654	
Tax Credit	708	
Bank Interest	<u>23,946</u>	<u>26,308</u>
Profits Chargeable to Corporation Tax		<u>£32,155</u>

Capital Allowances

		<u>Pool</u>	<u>Car</u>	<u>Allowances</u>
Balance brought forward		191	7,775	
Additions	1,009			
F.Y.A. 100%	<u>1,009</u>	-		1,009
W.D.A. 25%		<u>48</u>	<u>2,000</u>	2,048
Balance Carried Forward		<u>£143</u>	<u>£5,775</u>	
				<u>£3,057</u>

Stock Relief

Stock at 1st April 1981	148,917
<u>Less</u>	<u>2,000</u>
	£146,917
Increase in Price Index : 8.53%	<u>£12,532</u>

Unrecovered Stock Relief

<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>Total</u>
£25,547	£12,080	£29,167	£79,435	£14,273	£12,532	<u>£173,034</u>