

ALLEN BROS. (ELECTRICAL FACTORS) LIMITED

Company No. 1039794

FINANCIAL ACCOUNTS FOR THE  
YEAR ENDED 31st JULY 1998

R.A. Smith & Co  
Chartered Accountants  
1 Church Hill  
Leigh-on-Sea  
Essex



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COMPANIES HOUSE 14/12/98

ALLEN BROS. (ELECTRICAL FACTORS) LIMITED

FINANCIAL ACCOUNTS FOR THE  
YEAR ENDED 31st JULY 1998

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The following pages do not form part of the statutory accounts

6	Detailed Trading and Profit and Loss Account
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ALLEN BROS. (ELECTRICAL FACTORS) LIMITED

1.

REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31st JULY 1998

PRINCIPAL ACTIVITY

The principal activity of the company throughout the year was that of wholesaling of electrical goods.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	1998	1997
D.L. Allen	215	215
Mrs. M. Allen	200	200

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 the 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 apply them consistently;
- make reasonable and prudent judgements and estimates;
- 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.

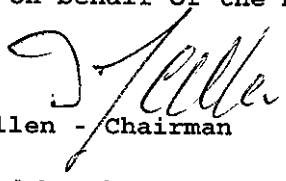
AUDITORS

The Auditors, R.A. Smith & Co, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

SMALL COMPANY EXEMPTIONS

Advantage has been taken in the preparation of this report of the special exemptions provided by Part 2 of schedule 8 to the Companies Act 1985 on the basis that the Company qualifies as a small company.

Signed on behalf of the board of directors:

  
D.L. Allen - Chairman

Approved by the board: 3rd December 1998

AUDITORS' REPORT TO THE MEMBERS OF  
ALLEN BROS. (ELECTRICAL FACTORS) LIMITED

We have audited the financial statements on pages 3 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5a.

**Respective responsibilities of directors and auditors**

As described on page 1, the company's directors are responsible for the preparation of 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 directors 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 sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. 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 31st July 1998 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



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R.A. Smith & Co  
Registered Auditors  
Chartered Accountants

1 Church Hill  
Leigh-on-Sea  
Essex  
SS9 2DE

3rd December 1998

## ALLEN BROS. (ELECTRICAL FACTORS) LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31st JULY 1998

	Note	<u>1998</u> £	<u>1997</u> £
TURNOVER	2	1066614	1003861
Cost of Sales		644890	624863
GROSS PROFIT		421724	378998
Administrative Expenses		300899	291458
		120825	87540
Other Operating Income	5	12236	9464
OPERATING PROFIT	3	133061	97004
Profit on Disposal of Fixed Assets		862	1586
Interest Payable	6	267	196
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		133656	98394
Tax on Profit on Ordinary Activities	7	18659	21124
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		114997	77270
Dividends	8	40000	40000
RETAINED PROFIT FOR THE YEAR		74997	37270
Retained Profit Brought Forward		318562	281290
RETAINED PROFIT CARRIED FORWARD		£ 393559	£ 318560

## Continuing Operations

The above results are all in respect of continuing operations, and no activities were acquired or discontinued during either financial year.

## Total Recognised Gains and Losses

The Company has no recognised gains or losses in either financial year other than the result shown above.

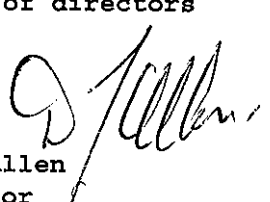
## ALLEN BROS. (ELECTRICAL FACTORS) LIMITED

BALANCE SHEET  
AS AT 31st JULY 1998

	Note	£	<u>1998</u>	£	<u>1997</u>	£
<b>FIXED ASSETS</b>						
Tangible Assets	9		61370		47053	
<b>CURRENT ASSETS</b>						
Stock			132027		145046	
Debtors	10		85652		100267	
Cash at Bank and in Hand			320317		244862	
			<u>537996</u>		<u>490175</u>	
<b>CREDITORS: amounts falling due within one year</b>	11		<u>205307</u>		<u>218168</u>	
<b>NET CURRENT ASSETS</b>			<u>332689</u>		<u>272007</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>394059</u>		<u>319060</u>	
<b>CAPITAL AND RESERVES</b>						
Called Up Share Capital	12		500		500	
Profit and Loss Account			393559		318560	
			<u>£ 394059</u>		<u>£ 319060</u>	

The directors have taken advantage in the preparation of these accounts of the special exemptions provided by Part 1 of Schedule 8 to the Companies Act 1985 on the basis that the Company qualifies as a small company.

Signed on behalf of the  
board of directors

  
D.L. Allen  
Director

Approved by the board: 3rd December 1998

## ALLEN BROS. (ELECTRICAL FACTORS) LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31st JULY 1998**1. ACCOUNTING POLICIES****Basis of Accounting**

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

**Turnover**

Turnover is the amount derived from the provision of goods and services falling within the company's ordinary activities after deduction of trade discounts and 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 Buildings and Long Leasehold Property	- 2% on cost or revalued amounts
Short Leasehold Property	- The period of the lease
Plant and Equipment	- 25% reducing balance
Fixtures and Fittings	- 20% reducing balance
Motor Vehicles	- 25% reducing balance

No depreciation is provided on freehold land.

**Stocks and Work in Progress**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

**Deferred Taxation**

No provision is made for Deferred Taxation on the basis that material timing differences will not crystallise.

**Leased Assets**

Assets held under finance leases and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

**Cash Flow Statement**

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year.

**2. TURNOVER**

The turnover and profit before taxation is attributable to the principal activity of the company, and is earned entirely within the United Kingdom.

## ALLEN BROS. (ELECTRICAL FACTORS) LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31st JULY 19983. OPERATING PROFIT

	<u>1998</u>	<u>1997</u>
	£	£
Operating Profit is stated after charging:		
Depreciation of Tangible Assets	16334	4395
Staff Costs	175096	171710
Auditors Remuneration	4300	4350
	<u>          </u>	<u>          </u>

4. DIRECTORS REMUNERATION

	<u>1998</u>	<u>1997</u>
	£	£
Emoluments of directors of the company were as follows:		
Management Remuneration	36000	39200
	<u>          </u>	<u>          </u>

5. OTHER OPERATING INCOME

	<u>1998</u>	<u>1997</u>
	£	£
Bank Interest	12236	9464
	<u>          </u>	<u>          </u>

6. INTEREST PAYABLE

	<u>1998</u>	<u>1997</u>
	£	£
Bank Interest	267	178
Loan Interest	-	18
	<u>          </u>	<u>          </u>
	267	196
	<u>          </u>	<u>          </u>

7. TAXATION

	<u>1998</u>	<u>1997</u>
	£	£
The charge for the year comprises:		
Corporation Tax at 21%	18659	21478
Over/Under Provisions in Earlier Years	-	(354)
	<u>          </u>	<u>          </u>

8. DIVIDENDS

	<u>1998</u>	<u>1997</u>
	£	£
Dividends Paid	40000	40000
	<u>          </u>	<u>          </u>

## ALLEN BROS. (ELECTRICAL FACTORS) LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31st JULY 19989. TANGIBLE FIXED ASSETS

Cost	Motor Vehicles £	Plant and Equipment £	and Fittings £	Total £
1st August 1997	52734	4666	28478	85878
Additions	38390	-	-	38390
Disposals	(17895)	-	-	(17895)
31st July 1998	73229	4666	28478	106373
Depreciation				
1st August 1997	15538	4452	18835	38825
Charge for year	15213	54	1929	17196
Disposals	(11017)	-	-	(11017)
31st July 1998	19734	4506	20764	45004
Net book amount				
31st July 1998	53495	161	7714	61370
31st July 1997	37196	214	9643	47053

10. DEBTORS

	1998 £	1997 £
Trade Debtors	81809	98200
Prepayments	3843	2067
	85652	100267

11. CREDITORS - amounts falling due  
within one year

	1998 £	1997 £
Bank Overdraft	54125	28213
Trade Creditors	91227	111807
Corporation Tax	13659	16478
Other Tax and Social Security	21306	18166
Directors Loans	24990	43504
	205307	218168

12. SHARE CAPITAL

	1998 £	1997 £
Authorised		
Ordinary Shares of £1 each	1000	1000
Issued and Fully Paid		
Ordinary Shares of £1 each	500	500