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Fairfield Catering Company Limited

REPORT AND FINANCIAL STATEMENTS

for the year ended
31st March 1982

Thornton Baker,
Chartered Accountants,
Portsmouth.



Fairfield Catering Company Limited

REPORT AND ACCOUNTS
for the year ended 31st March 1982

I N D E X

	<u>Page</u>
Report of the Directors	1 and 2
Report of the Auditors	3
Accounting Policies	4
Profit and Loss Account	5
Balance Sheet	6
Statement of Source and Application of Funds	7
Notes to the Accounts	8 to 10
Trading and Profit and Loss Account	11
Schedules to Trading and Profit and Loss Account	12 and 13

REPORT OF THE DIRECTORS

The directors submit their report, together with the financial statements for the year ended 31st March 1982.

1. Principal activities

The company is principally engaged as general caterers and suppliers to the catering and allied trades.

2. Results and dividends

The profit for the year after taxation amounted to £4,629.

The directors recommend the payment of a dividend of £5,300.

3. Directors

The directors in office at the end of the year are listed below.

Apart from Mrs. B.D. Mansfield (formerly Mrs. B.D. Benjamin) who was appointed a director on the 9th December 1981, all served on the Board throughout the year.

The interest of the directors in the shares of the company at 31st March 1982 maintained by the company in accordance with the provisions of the Companies Act 1967 were as follows:

	<u>1982</u>	<u>1981</u>
B.M. Mansfield (Chairman)	99	51
Mrs. B.D. Benjamin (appointed 9th December 1981)	1	-
A.F.W. Alpine	-	-
M.R. Bennett	-	-

Mrs. S.L. Mansfield was a director for the period up to 18th August 1981 on which date she resigned. During the whole of this period she was interested in 49 shares of the company.

Apart from service contracts no director of the company has or has had during the year a significant interest in any contracts with the company.

4. Company secretary

Mrs. S.L. Mansfield resigned and Mr. J.H. Hood was appointed company secretary on 10th September 1981.

5. Employees and remuneration

The weekly average number of persons employed by the company in the United Kingdom was 431 and their aggregate remuneration for the year was £1,230,477.

REPORT OF THE DIRECTORS (continued)

6. Auditors

Leonard Gold resigned as auditors on the 15th April 1982 in accordance with Section 16(1) of the Companies Act 1976 and Thornton Baker were appointed as auditors.

Thornton Baker offer themselves for re-appointment as auditors in accordance with Section 14(1) of the Companies Act 1976.

By Order of the Board



J.H. Hood

SECRETARY

29th September 1982

Registered office:

29/31 Kingston Cresent,
Portsmouth.

REPORT OF THE AUDITORS

to the members of Fairfield Catering Company Limited

We have audited the Financial Statements on pages 4 to 10, 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 the loss and source and application of funds for the year then ended and comply with the Companies Act 1948 to 1981.

29th September 1982

Enterprise House,
Portsmouth.

THORNTON BAKER

Chartered Accountants

ACCOUNTING POLICIES
for the year ended 31st March 1982

The financial statements have been prepared under the historical cost convention.

The principal accounting policies of the company are set out below.

The policies have remained unchanged from the previous year apart from a change in the depreciation policy. This change is from depreciation using the reducing balance method to depreciation by equal annual instalments. The effect of the change is not material to the Profit and Loss Account.

a) Turnover

Turnover represents the value of goods and services invoiced to customers during the year.

b) Depreciation

Depreciation is calculated to write down the cost of fixed assets by equal annual instalments over their expected useful lives.

The rates applicable are :

Leasehold improvements	Period of lease
Plant and equipment	15%
Motor vehicles	25%
Computer	25%

c) Stock

Stock is stated at the lower of cost and realisable value.

d) Deferred taxation

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the financial statements

From the total of deferred taxation is deducted unrelieved advance corporation tax in respect of dividends proposed.

e) Interest receivable

Interest receivable is included in these accounts when it is received.

Fairfield Catering Company Limited

Page 5.

PROFIT AND LOSS ACCOUNT
for the year ended 31st March 1982

	<u>Note</u>	<u>£</u>	<u>1982</u>	<u>£</u>	<u>1981</u>	<u>£</u>
Turnover			£ 3,885,762		£ 2,738,646	
			=====		=====	
Trading profit before taxation after taking into account			39,041		55,385	
Interest receivable		13,191	=====	9,278	=====	
Directors' emoluments	1	108,274		49,407		
Depreciation	3	16,589		9,083		
Auditors' remuneration		2,600	=====	2,955	=====	
Taxation	2		34,405		22,148	
Profit after taxation			4,636		33,237	
Dividend	5		5,300		-	
Net (Loss)/Profit retained	7		£ (664)		£ 33,237	
			=====		=====	

The accounting policies and notes on pages 4 and 8 to 10 form part of these financial statements.

Fairfield Catering Company Limited

Page 6.

BALANCE SHEET at 31st March 1982

	Note	£ 1982	£ 1981
Assets employed			
Fixed assets	3	71,016	40,220
Loan to connected company	4	19,207	-
Current assets			
Stock		3,500	936
Debtors		508,506	314,501
Short term deposits		-	1,899
Bank balance and cash		30,144	97,115
		<u>542,150</u>	<u>414,451</u>
Current liabilities			
Deposits from customers		95,550	78,250
Creditors		419,625	258,080
Bank overdraft		-	7,341
Taxation	2	18,757	32,288
Proposed dividend	5	5,300	-
		<u>539,232</u>	<u>375,959</u>
Net current assets		<u>2,918</u>	<u>38,492</u>
		<u>£ 93,141</u>	<u>£ 78,712</u>
Financed by:			
Share capital	6	100	100
Reserves	7	<u>77,948</u>	<u>78,612</u>
Total share capital and reserves		78,048	78,712
Deferred taxation	8	<u>15,093</u>	-
		<u>£ 93,141</u>	<u>£ 78,712</u>

B. Mansfield
Malcolm R. Bennett

B. MANSFIELD

MALCOLM R. BENNETT

) DIRECTORS

The accounting policies and notes on pages 4 and 8 to 10 form part of these financial statements.

Fairfield Catering Company Limited

Page 7.

SOURCE AND APPLICATION OF FUNDS
for the year ended 31st March 1982

	£	<u>1982</u>	£	£	<u>1981</u>	£
Source of funds						
From operations						
Trading profit before tax			39,041			55,385
Adjustment for items not involving the movement of funds:						
Depreciation	16,589				9,083	
Loss on sale of fixed assets	4,352				707	
Provision re loan	<u>27,084</u>	<u>48,025</u>			<u>-</u>	<u>9,790</u>
From other sources		<u>87,066</u>				<u>65,175</u>
Deposits from clients	17,300				31,500	
Sale of fixed assets	<u>8,050</u>	<u>25,350</u>			<u>3,266</u>	<u>34,766</u>
		<u>112,416</u>				<u>99,941</u>
Application of funds						
Purchase of fixed assets	59,787				15,232	
Taxation paid	32,843				375	
Loan	<u>46,291</u>	<u>138,921</u>			<u>-</u>	<u>15,607</u>
Net inflow of funds			£ (26,505)			£ 84,334
			=====			=====
Increases (decreases) in working capital						
Stock	2,564					
Debtors	194,005				37,034	
Creditors	<u>(161,545)</u>	<u>35,024</u>			<u>(17,616)</u>	<u>19,418</u>
Net liquid funds						
Short term deposits	(1,899)				(125)	
Bank balance and cash	<u>(59,630)</u>	<u>(61,529)</u>			<u>65,041</u>	<u>64,916</u>
			£ (26,505)			£ 84,334
			=====			=====

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 1982

1. Directors' emoluments

	<u>1982</u>	<u>1981</u>
	£	£
Management remuneration	£ 108,274	£ 49,407
	=====	=====

The directors' emoluments, excluding pension contributions were :-

	<u>1982</u>	<u>1981</u>
	£	£
The chairman	£ 65,956	£11,595
The highest paid director	£ -	£12,435
	=====	=====

The emoluments of the other directors, excluding pensions contributions were in the ranges :-

	<u>Number</u>	<u>Number</u>
£5,001 - £10,000	3	1
£10,001 - £15,000	-	1
£15,001 - £20,000	1	-
	=====	=====

2. Taxation

The taxation charge based on the profits of the year is made up as follows :-

	<u>1982</u>	<u>1981</u>
	£	£
United Kingdom		
Corporation tax at 40%	16,714	22,148
Deferred taxation	10,502	-
	27,216	22,148
Adjustment in respect of previous years		
Corporation tax	327	-
Deferred taxation	6,862	-
	£ 34,405	£ 22,148
	=====	=====

The amount shown under current liabilities represents:-

	<u>1982</u>	<u>1981</u>
	£	£
United Kingdom:		
Corporation tax payable 1.1.81	-	10,515
Corporation tax payable 1.1.82	-	21,773
Corporation tax payable 1.1.83	16,486	-
Advance corporation tax on proposed dividend	2,271	-
	£ 18,757	£ 32,288
	=====	=====

Close company legislation

The company is a close company within the terms of Section 282 of the Income and Corporation Taxes Act 1970.

In the opinion of the directors, the income of the company does not fall to be apportioned under the provisions of Schedule 16 to the Finance Act 1972.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31st March 1982

3. Fixed assets

	<u>Total</u>	<u>Leasehold</u>	<u>Fixtures</u>	<u>Motor</u>
	<u>£</u>	<u>improvements</u>	<u>and</u>	<u>vehicles</u>
		<u>£</u>	<u>fittings</u>	<u>£</u>
Cost				
At 1st April 1981	56,161	1,852	18,032	36,277
Additions	59,787	2,068	39,226	18,493
	115,948	3,920	57,258	54,770
Disposals,	23,221	-	8,808	14,413
At 31st March 1982	92,727	3,920	48,450	40,357
Depreciation				
At 1st April 1981	15,941	225	5,018	10,698
Charge for the year	16,589	-	6,694	9,895
	32,530	225	11,712	20,593
Disposals	10,819	-	3,783	7,036
At 31st March 1982	21,711	225	7,929	13,557
Net book amount at				
31st March 1982	£ 71,016	3,695	40,521	26,800
Net book amount at				
31st March 1981	£ 40,220	1,627	13,014	25,579

4. Loan to connected company

Loan to connected company	£
Less provision	46,291
	27,084
	£ 19,207

The loan is repayable in three yearly instalments starting on the 31st December 1982.

Interest is receivable in arrears on the due dates for capital repayments at a rate of 1%, over Barclays Bank p.l.c. base rate in force on those dates.

5. Dividend

Ordinary shares	<u>1982</u>
Proposed dividend of £53 per share	<u>£</u>
	£ 5,300

6. Share capital

	<u>Authorised, issued</u>
	<u>and fully paid</u>
	<u>£</u>
Ordinary shares of £1 each	£ 100

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31st March 1982

7. Reserves

At 1st April 1981
Net loss for the year
At 31st March 1982

Retained
profits
£
78,612
(664)
£77,948
=====

8. Deferred taxation

The following shows the total potential liability for deferred taxation in respect of each of the timing differences and the corresponding amounts provided in the financial statements.

	<u>Provided in financial statements</u>		<u>Total potential liability</u>	
	<u>1982</u> £	<u>1981</u> £	<u>1982</u> £	<u>1981</u> £
Accelerated capital allowances	17,364	-	17,364	6,884
Recoverable advance corporation tax	(2,271)	-	(2,271)	-
	£ 15,093	-	15,093	6,884
	=====			

9. Approval of the financial statements

The financial statements were approved by the Board of Directors on 29th September 1982.