

COMPANY NUMBER

1482085

E LEVY & CO LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 1999



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SEYMOUR COOPER & CO
Chartered Certified Accountants
LONDON

E LEVY & CO LIMITED
YEAR ENDED 31 MAY 1999

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E LEVY & CO LIMITED
YEAR ENDED 31 MAY 1999

GENERAL COMPANY INFORMATION

COMPANY REGISTERED NUMBER	1482985 (ENGLAND & WALES)
REGISTERED OFFICE	FINCHLEY HOUSE 707 HIGH ROAD LONDON N12 0BT
DIRECTORS	MR E LEVY MRS S LEVY
SECRETARY	MRS S LEVY
PRINCIPAL BANKERS	FIBI BANK UK PLC
AUDITORS	SEYMOUR COOPER & CO CHARTERED CERTIFIED ACCOUNTANTS REGISTERED AUDITORS FINCHLEY HOUSE 707 HIGH ROAD LONDON N12 0BT

E LEVY & CO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 1999

The directors present their report and the financial statements for the year ended 31 May 1999:

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company Law requires 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 judgements 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.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of retailing, wholesaling and servicing of electrical goods and equipment.

DIRECTORS

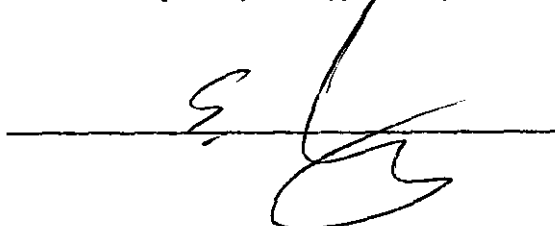
The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	<u>Number of Shares</u>	
	<u>1.6.98</u>	<u>31.5.99</u>
MR E LEVY	51	51
MRS S LEVY	49	49

AUDITORS

The auditors, Seymour Cooper & Co, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report, which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the board on 14 March 2000 and signed on its behalf.



E LEVY, DIRECTOR

E LEVY & CO LIMITED
YEAR ENDED 31 MAY 1999

AUDITORS' REPORT TO THE SHAREHOLDERS OF E LEVY & CO LIMITED

We have audited the financial statements on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 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 an 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 other irregularity or error. 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 31 May 1999 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 as applicable to small companies.



SEYMOUR COOPER & CO
CHARTERED CERTIFIED ACCOUNTANTS
REGISTERED AUDITORS
FINCHLEY HOUSE
707 HIGH ROAD
LONDON N12 0BT

14 March 2000

E LEVY & CO LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 1999

	<u>Notes</u>	<u>1998</u>	<u>1999</u>
TURNOVER	1(b) & 2	887,264	943,63£
Cost of Sales		<u>670,464</u>	<u>725,61£</u>
GROSS PROFIT		216,800	217,02£
Administrative Expenses		(200,140)	(187,41£)
Interest Payable	4	<u>(15,190)</u>	<u>(15,34£)</u>
OPERATING PROFIT	3	1,470	14,26£
Interest Receivable		<u>—</u>	<u>—</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,470	14,26£
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	5	<u>921</u>	<u>£5,502</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		549	10,760
Dividends	6	<u>17,500</u>	<u>25,000</u>
RETAINED PROFIT (LOSS) FOR THE YEAR		(16,951)	(14,240)
RETAINED PROFIT BROUGHT FORWARD		<u>34,107</u>	<u>17,156</u>
RETAINED PROFIT CARRIED FORWARD		<u>£17,156</u>	<u>£2,916</u>

There were no recognised gains or losses for 1998 and 1999 other than those included in the Profit and Loss Account.

The notes on pages 6 to 8 form part of these financial statements.

E LEVY & CO LIMITED
BALANCE SHEET AS AT 31 MAY 1999

	<u>Notes</u>	<u>1998</u>	<u>1999</u>
FIXED ASSETS			
Tangible Assets	1(c) & 7	48,664	40,774
CURRENT ASSETS			
Stock	1(d)	424,376	443,378
Debtors		49,526	110,456
		<u>473,902</u>	<u>553,834</u>
CREDITORS			
Amounts falling due within one year	10	<u>505,310</u>	<u>591,592</u>
NET CURRENT LIABILITIES		<u>(31,408)</u>	<u>(37,758)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£17,256</u>	<u>£3,016</u>
CAPITAL AND RESERVES			
Called-up Share Capital	11	100	100
Profit and Loss Account		<u>17,156</u>	<u>2,916</u>
SHAREHOLDERS' FUNDS	12	<u>£17,256</u>	<u>£3,016</u>

The directors have taken advantage, in the preparation of these financial statements, of the exemptions available under Part I of Schedule 8 to the Companies Act 1985, on the grounds that the company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

The financial statements were approved by the board on 14 March 2000 and signed on its behalf.


E LEVY, DIRECTOR

The notes on pages 6 to 8 form part of these financial statements.

E LEVY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 1999

1 ACCOUNTING POLICIES

(a) Basis of Preparation of Accounts

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

(b) Turnover

Turnover comprises the invoiced value of goods supplied by the company, net of Value Added Tax and trade discounts.

(c) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of the assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property and improvements	over term of lease
Fixtures and fittings	10% on reducing balance
Motor Vehicles	25% on reducing balance

(d) Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items.

(e) Foreign Currencies

Assets and liabilities in foreign currencies are converted into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the dates of the transactions.

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

3 OPERATING PROFIT

The operating profit is stated after charging:

	<u>1998</u>	<u>1999</u>
Depreciation of assets owned by the company	8,997	7,890
Loss on disposal of fixed assets	—	—
Auditors' remuneration	1,000	1,000
Directors' remuneration	2,340	2,540
	<u> </u>	<u> </u>

4 INTEREST PAYABLE

The interest payable represents the interest payable on the company's bank loan and overdrafts.

E LEVY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 1999 (CONTINUED)

5 TAXATION

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

	<u>1998</u>	<u>1999</u>
UK Corporation Tax at 21% / 20%	921	3,502
	<u>—</u>	<u>—</u>

6 DIVIDENDS

Amount voted for the year	<u>17,500</u>	<u>25,000</u>
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7 TANGIBLE FIXED ASSETS

	Leasehold Property	Improvements to Property	Fixtures & Fittings	Motor Vehicles	Total
Cost at 1.6.98	8,663	26,089	34,778	20,540	90,070
Additions	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
As at 31.5.99	<u>8,663</u>	<u>26,089</u>	<u>34,778</u>	<u>20,540</u>	<u>90,070</u>
Depreciation at 1.6.98	6,932	10,433	14,010	10,001	41,406
Charge for year	578	2,608	2,077	2,627	7,890
At 31.5.99	<u>7,510</u>	<u>13,041</u>	<u>16,087</u>	<u>12,628</u>	<u>49,296</u>
Net Book Values:					
At 31.5.99	<u>1,153</u>	<u>13,048</u>	<u>18,691</u>	<u>7,882</u>	<u>40,774</u>
At 31.5.98	<u>1,731</u>	<u>15,656</u>	<u>20,768</u>	<u>10,509</u>	<u>48,664</u>

8 DEBTORS

Amounts falling due within one year	<u>1998</u>	<u>1999</u>
Trade Debtors	44,929	102,513
Prepayments	4,597	<u>—</u>
Directors' Current Account	<u>—</u>	7,943
	<u>49,526</u>	<u>110,456</u>

E. LEVY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 1999 (CONTINUED)

9 CREDITORS

Amounts falling due within one year	<u>1998</u>	<u>1999</u>
Bank loans and overdrafts	214,344	250,388
Trade Creditors	221,455	274,755
Directors' Current Accounts	1,067	—
PAYE and National Insurance	11,822	13,740
VAT	5,402	2,907
Corporation Tax	2,577	6,078
Advance Corporation Tax	2,000	—
Accruals	46,643	43,724
	<u>505,310</u>	<u>591,592</u>

10 CALLED-UP SHARE CAPITAL

Ordinary Shares of £1 each (Authorised 1,000)		
Issued and fully paid	<u>100</u>	<u>100</u>

11 MOVEMENTS IN SHAREHOLDERS' FUNDS

Profit for year	549	10,760
Opening shareholders' funds	34,207	17,256
	<u>34,756</u>	<u>28,016</u>
Dividends	17,500	25,000
	<u>17,256</u>	<u>3,016</u>
Closing shareholders' funds		

12 CONTINGENT LIABILITIES

There were no contingent liabilities existing at the balance sheet date. (1998 - None).

13 CAPITAL COMMITMENTS

No contracts for future capital expenditure had been authorised or entered into as at the balance sheet date. (1998 - None).