

Company Registration No. 1501584 (England and Wales)

ROSSENDALE CB LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2001



ROSSENDALE CB LIMITED

COMPANY INFORMATION

Directors	C Adams M Coatman B Dew D Morris J Greene
Secretary	B Dew
Company number	1501584
Registered office	Hardman Mill New Hall Hey Road Rawtenstall Rossendale Lancashire BB4 6HH
Auditors	Pierce Thompson House 3-6 Richmond Terrace Blackburn Lancashire BB1 7AU
Bankers	Barclays Bank plc 36 Bank Street Rawtenstall Rossendale Lancashire BB4 7QW
Solicitors	Farleys Prudential Buildings Manchester Road Burnley Lancashire BB11 1HJ

ROSSENDALE CB LIMITED

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ROSSENDALE CB LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2001

The directors present their report and financial statements for the year ended 31 January 2001.

Principal activities and review of the business

The principal activity of the company continued to be that of certificated bailiffs.

The company is pleased with the improved results for this year.

Results and dividends

The results for the year are set out on page 4.

During the year a dividend on Ordinary Class B shares totalling £64,000 was paid. The company's net profit, after tax and dividends, of £223,789 is to be added to reserves.

The redeemable cumulative preference shares were issued in January 2000. A fixed dividend of 8% per annum was paid this year totalling £12,400.

Future developments

The company is satisfied with the growth in the business this year and is confident this can be maintained in the current year.

Directors

The following directors have held office since 1 February 2000:

C Adams
M Coatman
B Dew
D Morris
J Greene

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary Shares of £ 1 each	
	31 January 2001	1 February 2000
C Adams	-	-
M Coatman	-	-
B Dew	-	-
D Morris	-	-
J Greene	-	-

	Ordinary Class A Shares of £ 1 each	
	31 January 2001	1 February 2000
C Adams	8,309	8,309
M Coatman	-	-
B Dew	-	-
D Morris	-	-
J Greene	-	-

	Ordinary Class B Shares of £ 1 each	
	31 January 2001	1 February 2000
C Adams	1,187	1,187

ROSSENDALE CB LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2001

M Coatman	1,187	1,187
B Dew	-	-
D Morris	-	-
J Greene	-	-

8% Redeemable cumulative preference
shares of £ 1 each

31 January 2001	1 February 2000
-----------------	-----------------

C Adams	-	-
M Coatman	-	-
B Dew	-	-
D Morris	-	-
J Greene	-	-

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Equal opportunities

During the year the company has been awarded the 'Positive about Disabled People' symbol.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Pierce be reappointed as auditors of the company will be put to the Annual General Meeting.

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 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.

By order of the board



M Coatman

Director

6 March 2001

ROSSENDALE CB LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF ROSSENDALE CB LIMITED

We have audited the financial statements on pages 4 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

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 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 January 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Pierce

Pierce

8 March 2001

Chartered Accountants

Registered Auditor

Thompson House 3-6 Richmond
Terrace
Blackburn
Lancashire
BB1 7AU

ROSSENDALE CB LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2001

	Notes	2001 £	2000 £
Turnover	2	4,540,288	2,903,357
Administrative expenses		(4,279,918)	(2,799,867)
Operating profit	3	260,370	103,490
Investment income	4	-	8,866
Other interest receivable and similar income		115,457	44,805
Interest payable and similar charges	5	(3,212)	(9,239)
Profit on ordinary activities before taxation		372,615	147,922
Tax on profit on ordinary activities	6	(72,426)	(52,997)
Profit on ordinary activities after taxation		300,189	94,925
Dividends (including those in respect of non-equity shares)	7	(76,400)	(10,000)
Retained profit for the year	14	223,789	84,925

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

ROSSENDALE CB LIMITED

BALANCE SHEET AS AT 31 JANUARY 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	8		110,561		80,463
Current assets					
Debtors	9	273,469		187,857	
Cash at bank and in hand		2,306,782		1,378,965	
		<u>2,580,251</u>		<u>1,566,822</u>	
Creditors: amounts falling due within one year	10	<u>(2,177,770)</u>		<u>(1,306,848)</u>	
Net current assets			402,481		259,974
Total assets less current liabilities			<u>513,042</u>		<u>340,437</u>
Creditors: amounts falling due after more than one year	11		<u>(7,292)</u>		<u>(8,476)</u>
			<u>505,750</u>		<u>331,961</u>
Capital and reserves					
Called up share capital	13		115,683		165,683
Other reserves	14		2,506		2,506
Profit and loss account	14		387,561		163,772
Shareholders' funds	15		<u>505,750</u>		<u>331,961</u>
Equity interests			400,750		176,961
Non-equity interests			105,000		155,000
			<u>505,750</u>		<u>331,961</u>

The financial statements were approved by the Board on 6/3/2001



M Coatman
Director

ROSSENDALE CB LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JANUARY 2001

	2001 £	2000 £
Net cash inflow from operating activities	1,051,350	472,952
Returns on investments and servicing of finance		
Interest received	115,457	53,224
Interest paid	(3,212)	(9,239)
Dividends received	-	70
Non equity dividends paid	(12,400)	-
Net cash inflow for returns on investments and servicing of finance	99,845	44,055
Taxation	(33,315)	13,125
Capital expenditure and financial investment		
Payments to acquire tangible assets	(111,467)	(4,795)
Receipts from sales of tangible assets	38,620	33,811
Receipts from sales of investments	-	117,855
Net cash (outflow)/inflow for capital expenditure	(72,847)	146,871
Equity dividends paid	(64,000)	(10,000)
Net cash inflow before management of liquid resources and financing	981,033	667,003
Financing		
Issue of preference share capital	-	155,000
Purchase of own shares	(50,000)	(155,000)
Issue and purchase of shares	(50,000)	-
Capital element of hire purchase contracts	(3,216)	(55,102)
Decrease in debt	(3,216)	(55,102)
Net cash outflow from financing	(53,216)	(55,102)
Increase in cash in the year	927,817	611,901

ROSSENDALE CB LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JANUARY 2001

1	Reconciliation of operating profit to net cash inflow from operating activities	2001		2000	
		£		£	
	Operating profit	260,370		103,490	
	Depreciation of tangible assets	24,934		42,999	
	Loss on disposal of tangible assets	17,815		5,073	
	Increase in debtors	(85,612)		(26,949)	
	Increase in creditors within one year	833,843		348,339	
	Net cash inflow from operating activities	1,051,350		472,952	
2	Analysis of net funds	1 February 2000	Cash flow	Other non-cash changes	31 January 2001
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,378,965	927,817	-	2,306,782
	Debt:				
	Finance leases	(23,007)	3,216	-	(19,791)
	Net funds	1,355,958	931,033	-	2,286,991
3	Reconciliation of net cash flow to movement in net funds	2001		2000	
		£		£	
	Increase in cash in the year	927,817		611,901	
	Cash outflow from decrease in debt and lease financing	3,216		55,102	
	Movement in net funds in the year	931,033		667,003	
	Opening net funds	1,355,958		688,955	
	Closing net funds	2,286,991		1,355,958	

ROSSENDALE CB LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for services net of VAT, and is analysed as follows :

Bailiff & Distraint Income £4,537,268 (2000 £2,898,053)

Investigation Income £3,020 (2000 £5,304)

1.4 Tangible fixed assets and depreciation

Tangible fixed assets included an investment property, which has been sold within the year. Other tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Tenants Improv'ts	10% - straight line
Fixtures, fittings & equipment	15%-33% - straight line
Motor vehicles	25% - straight line

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.8 Amounts owed to clients

The company maintains liquid funds which are in excess of the company's liabilities to clients at any time.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

ROSSENDALE CB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2001

3	Operating profit	2001	2000
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	24,934	42,999
	Auditors' remuneration	6,720	10,000
		<u> </u>	<u> </u>
4	Investment income	2001	2000
		£	£
	Income from participating interests	-	7,740
	Income from other fixed asset investments	-	1,126
		<u> </u>	<u> </u>
		-	8,866
		<u> </u>	<u> </u>
5	Interest payable	2001	2000
		£	£
	Hire purchase interest	3,212	9,239
		<u> </u>	<u> </u>
6	Taxation	2001	2000
		£	£
	U.K. current year taxation		
	U.K. corporation tax at 20% (2000 - 20%)	72,440	33,329
	Deferred taxation	-	19,172
		<u> </u>	<u> </u>
		72,440	52,501
	Prior years		
	U.K. corporation tax	(14)	496
		<u> </u>	<u> </u>
		72,426	52,997
		<u> </u>	<u> </u>
7	Dividends	2001	2000
		£	£
	Dividends on equity shares:		
	Ordinary interim paid	64,000	10,000
	Dividends on non-equity shares:		
	Preference interim paid	12,400	-
		<u> </u>	<u> </u>
		76,400	10,000
		<u> </u>	<u> </u>

ROSSENDALE CB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2001

8 Tangible fixed assets

	Tenants Improv'ts	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 February 2000	29,146	464,093	133,343	626,582
Additions	-	19,272	92,195	111,467
Disposals	-	(69,772)	(115,763)	(185,535)
At 31 January 2001	29,146	413,593	109,775	552,514
Depreciation				
At 1 February 2000	27,856	451,057	67,206	546,119
On disposals	-	(69,772)	(59,328)	(129,100)
Charge for the year	1,290	9,606	14,038	24,934
At 31 January 2001	29,146	390,891	21,916	441,953
Net book value				
At 31 January 2001	-	22,702	87,859	110,561
At 31 January 2000	1,290	13,036	66,137	80,463

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 31 January 2001	39,278
At 31 January 2000	40,802
Depreciation charge for the year	
31 January 2001	4,567
31 January 2000	16,321

ROSSENDALE CB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2001

9 Debtors	2001 £	2000 £
Trade debtors	225,689	140,854
Amounts owed by participating interests	-	10,818
Prepayments and accrued income	47,780	36,185
	<u>273,469</u>	<u>187,857</u>
10 Creditors: amounts falling due within one year	2001 £	2000 £
Net obligations under hire purchase contracts	12,499	14,531
Trade creditors	18,661	16,143
Amounts owed to clients	1,803,959	1,113,112
Corporation tax	72,440	33,329
Other taxes and social security costs	111,387	71,355
Directors' current accounts	86,144	4,000
Accruals and deferred income	72,680	54,378
	<u>2,177,770</u>	<u>1,306,848</u>
11 Creditors: amounts falling due after more than one year	2001 £	2000 £
Net obligations under hire purchase contracts	<u>7,292</u>	<u>8,476</u>
Net obligations under hire purchase contracts		
Repayable within one year	12,499	14,531
Repayable between one and five years	7,292	8,476
	<u>19,791</u>	<u>23,007</u>
Included in liabilities falling due within one year	<u>(12,499)</u>	<u>(14,531)</u>
	<u>7,292</u>	<u>8,476</u>
12 Pension costs		

The company operates a defined contributions pension scheme. The charge to Profit and Loss Account represents the premiums payable for the year.

ROSSENDALE CB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2001

13 Share capital	2001 £	2000 £
Authorised		
8,130 Ordinary Shares of £ 1 each	8,130	8,130
8,309 Ordinary Class A Shares of £ 1 each	8,309	8,309
3,561 Ordinary Class B Shares of £ 1 each	3,561	3,561
155,000 8% Redeemable cumulative preference shares of £ 1 each	155,000	155,000
	<u>175,000</u>	<u>175,000</u>
 Allotted, called up and fully paid		
8,309 Ordinary Class A Shares of £ 1 each	8,309	8,309
2,374 Ordinary Class B Shares of £ 1 each	2,374	2,374
105,000 8% Redeemable cumulative preference shares of £ 1 each	105,000	155,000
	<u>115,683</u>	<u>165,683</u>

The ordinary shares in issue rank pari passu in all respects. The redeemable cumulative preference shares have no voting rights at General Meetings, except where their existing rights are to be varied.

There is no formal timescale of redemption in respect of the preference shares. Both parties can request redemption by written notice to the other party.

14 Statement of movements on reserves

	Other reserves £	Profit and loss account £
Balance at 1 February 2000	2,506	163,772
Retained profit for the year	-	223,789
	<u>2,506</u>	<u>387,561</u>
Balance at 31 January 2001		

ROSSENDALE CB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2001

15 Reconciliation of movements in shareholders' funds	2001 £	2000 £
Profit for the financial year	300,189	94,925
Dividends	(76,400)	(10,000)
	<hr/> 223,789	<hr/> 84,925
Proceeds from issue of shares	-	155,000
Purchase of own shares	(50,000)	(155,000)
	<hr/> 173,789	<hr/> 84,925
Net addition to shareholders' funds	331,961	247,036
Opening shareholders' funds		
	<hr/> 505,750	<hr/> 331,961
Closing shareholders' funds		

16 Directors' emoluments	2001 £	2000 £
Emoluments for qualifying services	823,157	305,296
Company pension contributions to money purchase schemes	73,983	122,693
	<hr/> 897,140	<hr/> 427,989

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 5 (2000 - 3).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	484,310	117,512
Company pension contributions to money purchase schemes	49,125	49,125
	<hr/> 533,435	<hr/> 166,637

17 Transactions with directors

The following directors had interest free loans during the year. The movement on these loans are as follows:

	Amount outstanding 2001 £	2000 £	Maximum in year £
C Adams	-	-	126,600
M Coatman	-	-	41,414
	<hr/>	<hr/>	<hr/>

ROSSENDALE CB LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2001

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2001 Number	2000 Number
Management and Administration	78	60

Employment costs

	£	£
Wages and salaries	1,627,176	969,703
Other pension costs	95,178	123,678
	1,722,354	1,093,381

19 Control

The company is under the control of the directors who, together with close family members, own 100% of the issued share capital of the company.

20 Related party transactions

During the previous year the Rossendale C B Limited Retirement Benefit Scheme subscribed for and was allotted 155,000 8% redeemable cumulative preference shares at par value of £1 each. This year £50,000 of the preference shares have been redeemed at par.