

RICHARDS COAL MERCHANTS LIMITED

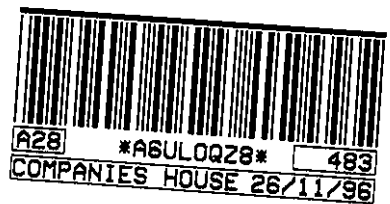
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FINANCIAL ACCOUNTS FOR THE  
YEAR ENDED 31ST JANUARY 1996

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W.R.KING & CO.  
CERTIFIED ACCOUNTANT



COMPANIES HOUSE 19/11/96  
COMPANIES HOUSE 02/11/96

RICHARDS COAL MERCHANTS LIMITED

DIRECTORS:	Mr A.Richards Mrs O.Richards
SECRETARY:	Mr A.Richards
REGISTERED OFFICE:	1 Bosworth Road Skewen Neath
REGISTERED NUMBER:	1537800
BANKERS:	Lloyds Bank New Road Skewen Neath
AUDITORS:	W.R.King & Co. Certified Accountants 44 VICTORIA GARDENS NEATH WEST GLAMORGAN SA11 3BH

RICHARDS COAL MERCHANTS LIMITED  
FINANCIAL ACCOUNTS  
FOR THE YEAR ENDED 31ST JANUARY 1996

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The following page does not form part of the Statutory Accounts

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RICHARDS COAL MERCHANTS LIMITED  
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST JANUARY 1996

The directors present their annual report with the accounts of the company for the Year ended 31st January 1996.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the Year under review was that of coal merchants.

**REVIEW OF BUSINESS**

A summary of the results for the Year is given on page 3 of the accounts. The directors consider the state of affairs to be satisfactory.

**DIVIDENDS**

The directors do not recommend the payment of a dividend.

**FIXED ASSETS**

Acquisitions and disposals of fixed assets during the Year are shown in note 6.

**DIRECTORS**

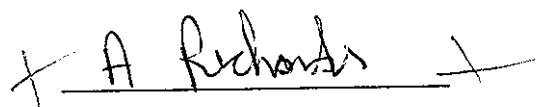
The directors in office in the Year and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	1996	1995
Mr A.Richards	99	99
Mrs O.Richards	1	1

**AUDITORS**

The auditors, W.R.King & Co. are deemed to be re-appointed in accordance with Section 386 of the Companies Act 1985.

Signed on behalf of the  
Board of Directors



Mr A.Richards  
Secretary

RICHARDS COAL MERCHANTS LIMITEDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial accounts 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 accounts we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

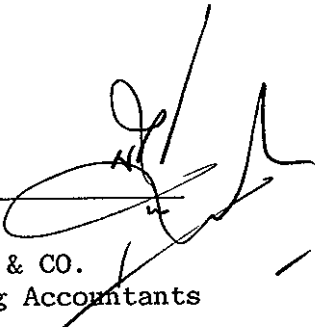
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial accounts comply with Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



By Order of the Board

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS  
ON THE UNAUDITED FINANCIAL ACCOUNTS OF  
RICHARDS COAL MERCHANTS LIMITED

In accordance with instructions given to us we have prepared financial accounts for the company for the Year ended 31st January 1996 according to the accounting provisions of the Companies Act 1985. The directors of the company have confirmed that the company is totally exempt from the audit requirement under the provisions of subsection 1 of section 249A of the Companies Act 1985, and as a result we have not carried out an audit. The financial accounts on pages 4 to 5 are therefore based on the information shown in the accounting records and on the information supplied and explanations given to us by the directors.



W.R.KING & CO.  
Reporting Accountants

44 VICTORIA GARDENS  
NEATH  
WEST GLAMORGAN  
SA11 3BH

29th July 1996

RICHARDS COAL MERCHANTS LIMITED

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST JANUARY 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
TURNOVER	2	48,245	68,806
Cost of Sales		33,006	47,953
<u>GROSS PROFIT</u>		15,239	20,853
Net Operating Expenses			
Administrative Expenses		16,134	16,849
<u>OPERATING (LOSS)/PROFIT</u>	3	(895)	4,004
Income from Investments		2,432	1,792
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE INTEREST</u>		1,537	5,796
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u>		1,537	5,796
Tax on Ordinary Activities		364	3,060
<u>PROFIT ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION</u>		£ 1,173	£ 2,736
<u>STATEMENT OF RETAINED EARNINGS</u>			
Retained Profit Brought Forward		61,086	58,350
Retained Profit for the Year		1,173	2,736
<u>RETAINED PROFIT CARRIED FORWARD</u>		£ 62,259	£ 61,086

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6a to 6c form part of these accounts.

RICHARDS COAL MERCHANTS LIMITEDBALANCE SHEET  
AS AT 31ST JANUARY 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	6	422	563
<b>CURRENT ASSETS</b>			
Stock and Work in Progress	7	3,089	4,831
Debtors	8	1,339	2,688
Cash at Bank and in Hand		69,531	64,213
		<u>73,959</u>	<u>71,732</u>
<b>CREDITORS : Amounts Falling</b>			
Due within One Year	9	(10,031)	(9,482)
		<u>63,928</u>	<u>62,250</u>
<b>NET CURRENT ASSETS</b>			
		<u>64,350</u>	<u>62,813</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>CREDITORS : Amounts Falling</b>			
Due After more than One Year	11	1,991	1,627
		<u>£ 62,359</u>	<u>£ 61,186</u>
<b>CAPITAL AND RESERVES</b>			
Share Capital	10	100	100
Profit and Loss Account		62,259	61,086
<b><u>TOTAL SHAREHOLDERS' FUNDS</u></b>		<u>£ 62,359</u>	<u>£ 61,186</u>

continued .....



RICHARDS COAL MERCHANTS LIMITEDBALANCE SHEET  
(continued)  
AS AT 31ST JANUARY 1996

The directors consider that for the Year ended 31st January 1996 the company was entitled to exemption under subsection 1 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial Year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial Year and of its profit or loss for the financial Year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

In the preparation of the accounts advantage has been taken of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in the directors' opinion, the company qualifies as a small company and is entitled to make use of the special exemptions.

Signed on behalf of the  
board of directors

O Richards

Mrs.O.Richards  
Director

Approved by the board: 29th July 1996

The notes on pages 6a to 6c form part of these accounts.

RICHARDS COAL MERCHANTS LIMITEDNOTES TO ACCOUNTS  
FOR THE YEAR ENDED 31ST JANUARY 19961. ACCOUNTING POLICIES**Basis of Accounting**

The accounts have been prepared under the historical cost convention as modified to incorporate the revaluation of certain fixed assets.

**Turnover**

Turnover represents the net invoiced sales of goods, excluding VAT.

**Tangible Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Motor Vehicles	20% on cost
Plant and Equipment	20% on cost
Fixtures and Fittings	20% on cost

**Stocks and Work in Progress**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

**Deferred Taxation**

Deferred Taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**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 (1995 - Profit) before taxation for the Year is attributable to the principal activity of the Company which is that of coal merchants..

3. OPERATING PROFIT

The Operating Loss (1995 - Profit) is stated after charging:

	<u>1996</u> £	<u>1995</u> £
Depreciation of Tangible Fixed Assets	141	188
Staff Costs - note 4	13,864	14,326
Auditors Remuneration	800	800
	<u>          </u>	<u>          </u>

RICHARDS COAL MERCHANTS LIMITEDNOTES TO ACCOUNTS  
FOR THE YEAR ENDED 31ST JANUARY 19964. STAFF COSTS

The costs incurred, including directors remuneration (note 5), were as follows:

	<u>1996</u> £	<u>1995</u> £
Wages and Salaries	8,864	9,326
Pension Costs	5,000	5,000
	<u>13,864</u>	<u>14,326</u>

5. DIRECTORS' REMUNERATION

	<u>1996</u> £	<u>1995</u> £
Directors' Remuneration	8,864	9,326
Directors' Pension Scheme	5,000	5,000
	<u>13,864</u>	<u>14,326</u>

6. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Plant & Equipment £	Fixtures & Fittings £	TOTAL £
COST OR VALUATION				
At 1st February 1995	1,164	300	-	1,464
At 31st January 1996	<u>1,164</u>	<u>300</u>	<u>-</u>	<u>1,464</u>
DEPRECIATION				
At 1st February 1995	717	184	-	901
Charge for Year	112	29	-	141
At 31st January 1996	<u>829</u>	<u>213</u>	<u>-</u>	<u>1,042</u>
NET BOOK VALUE				
At 31st January 1996	<u>335</u>	<u>87</u>	<u>-</u>	<u>422</u>
At 31st January 1995	<u>447</u>	<u>116</u>	<u>-</u>	<u>563</u>

7. STOCKS

	<u>1996</u> £	<u>1995</u> £
Raw Materials and Consumables	<u>3,089</u>	<u>4,831</u>

RICHARDS COAL MERCHANTS LIMITEDNOTES TO ACCOUNTS  
FOR THE YEAR ENDED 31ST JANUARY 19968. DEBTORS

	<u>1996</u> £	<u>1995</u> £
Amounts due within one year:		
Trade Debtors	507	983
Director's Loan Account	442	842
Value Added Tax	390	863
	<u>1,339</u>	<u>2,688</u>

9. CREDITORS

	<u>1996</u> £	<u>1995</u> £
Amounts falling due within one year:		
Trade Creditors	7,477	6,928
Other Creditors:		
Accruals	2,554	2,554
	<u>10,031</u>	<u>9,482</u>

10. SHARE CAPITAL

	<u>1996</u> £	<u>1995</u> £
Authorised	100	100
Allotted, Issued and Fully Paid	100	100

11. CREDITORS

	<u>1996</u> £	<u>1995</u> £
Amounts falling due after more than one year:		
Corporation Tax	1,991	1,627

RICHARDS COAL MERCHANTS LIMITEDTRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST JANUARY 1996

	<u>1996</u>		<u>1995</u>	
	£	£	£	£
Sales		48,245		68,806
<b>COST OF SALES</b>				
Opening Stock	4,831		4,208	
Purchases	31,264		48,576	
Closing Stock	(3,089)		(4,831)	
		33,006		47,953
<b>GROSS PROFIT</b>		15,239		20,853
Bank Interest Received		2,432		1,792
		17,671		22,645
<b>LESS OVERHEADS</b>				
Motor Running Expenses	825		930	
Repairs and Renewals	23		25	
Telephone Charges	272		184	
Rent and Rates	188		222	
Bank Charges	-		(5)	
Sundry Expenses	21		179	
Directors' Remuneration	8,864		9,326	
Directors' Pension Scheme	5,000		5,000	
Auditors Remuneration	800		800	
Depreciation Motor Vehicles	112		150	
Depreciation Plant & Equipment	29		38	
		16,134		16,849
<b>NET PROFIT FOR THE YEAR</b>		£ 1,537		£ 5,796

This page does not form part of the statutory accounts.