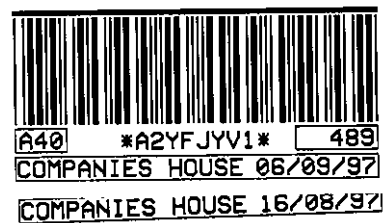


**ASSOCIATED INDEPENDENT MERCHANT  
STOCKISTS LIMITED**

**ANNUAL REPORT**

**YEAR ENDED 31 MARCH 1997**

**Registered Number 01676633**



**ASSOCIATED INDEPENDENT MERCHANT STOCKISTS LIMITED**  
**ANNUAL REPORT**  
**YEAR ENDED 31 MARCH 1997**

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# **ASSOCIATED INDEPENDENT MERCHANT STOCKISTS LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report together with the financial statements for the year ended 31 March 1997 .

### **RESULTS AND DIVIDENDS**

The profit for the financial year after tax amounted to £4,544.

The directors do not recommend the payment of a dividend for the year and recommend the balance of retained profit totalling £4,544 be transferred to reserves.

### **REVIEW OF THE BUSINESS**

The principal activity of the Company remains that of Purchasing Rebate Co-ordinator.

A new member, The M6 Paper Group was welcomed to the company during the year. The Board of Directors together with the Buying Committee and Marketing Committee, have continued to improve relations with our Major Paper Mill Suppliers by seeking even closer links. The Member's collective turnover for the coming calendar year will be in excess of £150m enabling the Company's general standing and credibility within the UK Paper Trade to dramatically improve as a whole during a period of difficult trading conditions.

The Directors have continued, and will continue, to ensure that the Company maximises it's collective buying arrangements and marketing initiatives at every possible opportunity. This action enables it's members to compete effectively within a ever polarising Paper Merchanting sector, where the number of independent merchants are decreasing year on year.

### **DIRECTORS**

The directors at 31 March 1997 were as follows:

T R Bowler  
H G N Davies  
M J Wheat  
M W L Randall  
M R Ovenden

None of the directors has any interest in the share capital of the company.

### **FIXED ASSETS**

Changes in fixed assets are shown in Note 7.

**ASSOCIATED INDEPENDENT MERCHANT STOCKISTS LIMITED**  
**DIRECTORS' REPORT**

**STATUS**

The company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

**AUDITORS**

The auditors Pannell Kerr Forster, Chartered Accountants, have signified their willingness to continue in office. A resolution to reappoint them will be proposed at the annual general meeting.

A handwritten signature in black ink, appearing to be 'T R BOWLER', with a long, sweeping horizontal stroke extending to the right.

By order of the board

**T R BOWLER**  
Secretary

30 June 1997

**ASSOCIATED INDEPENDENT MERCHANT STOCKISTS LIMITED**  
**STATEMENT OF 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 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' REPORT TO THE SHAREHOLDERS OF  
ASSOCIATED INDEPENDENT MERCHANT STOCKISTS LIMITED**

We have audited the financial statements on pages 5 to 9 which have been prepared under the accounting policies set out on page 7.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 3 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.

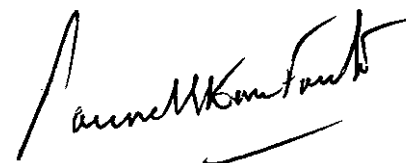
**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards. 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 affairs of the company as at 31 March 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PANNELL KERR FORSTER**  
Chartered Accountants  
Registered Auditors

30 June 1997  
Nottingham

**ASSOCIATED INDEPENDENT MERCHANT STOCKISTS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 MARCH 1997**

|  | Notes | <u>1997</u><br>£    | <u>1996</u><br>£    |
|--|-------|---------------------|---------------------|
| REBATES RECEIVED   | 2     | 4,928               | 159,984             |
| REBATES PAID TO MEMBERS                                    |       | <u>(4,928)</u>      | <u>(159,984)</u>    |
| GROSS PROFIT   |       | -                   | -                   |
| ADMINISTRATIVE EXPENSES LESS<br>CONTRIBUTIONS FROM MEMBERS |       | <u>7,243</u>        | <u>1,108</u>        |
| OPERATING PROFIT   |       | 7,243               | 1,108               |
| OTHER INTEREST RECEIVABLE<br>AND SIMILAR INCOME            | 4     | <u>176</u>          | <u>534</u>          |
| PROFIT ON ORDINARY ACTIVITIES<br>BEFORE TAXATION           | 5     | 7,419               | 1,642               |
| TAX ON PROFIT ON ORDINARY<br>ACTIVITIES                    | 6     | <u>(2,875)</u>      | <u>-</u>            |
| PROFIT FOR THE FINANCIAL YEAR                              | 11    | <u><u>4,544</u></u> | <u><u>1,642</u></u> |

All amounts relate to continuing operations.

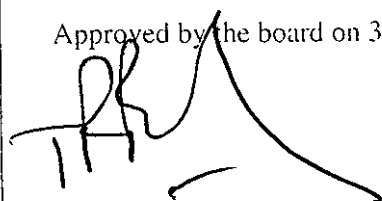
The company has no recognised gains or losses other than the result for the year.

There is no difference between the profit as reported above and the historical cost profit for the year.

**ASSOCIATED INDEPENDENT MERCHANT STOCKISTS LIMITED**  
**BALANCE SHEET**  
**31 MARCH 1997**

|  | <u>Notes</u> | <u>1997</u>    | <u>1996</u>    |
|--|--------------|----------------|----------------|
|  |              | £              | £              |
| <b>FIXED ASSETS</b>                              |              |                |                |
| Tangible assets                                  | 7            | -              | 435            |
| <b>CURRENT ASSETS</b>                            |              |                |                |
| Debtors  | 8            | 796            | -              |
| Cash at bank and in hand                         |              | <u>12,830</u>  | <u>15,092</u>  |
|  |              | 13,626         | 15,092         |
| <b>CREDITORS</b>                                 |              |                |                |
| Amounts falling due within one year              | 9            | <u>15,400</u>  | <u>21,945</u>  |
| <b>NET CURRENT LIABILITIES</b>                   |              | <u>(1,774)</u> | <u>(6,853)</u> |
| <b>TOTAL ASSETS LESS<br/>CURRENT LIABILITIES</b> |              | <u>(1,774)</u> | <u>(6,418)</u> |
| <b>CAPITAL AND RESERVES</b>                      |              |                |                |
| Called up share capital                          | 10           | 1,200          | 1,100          |
| Profit and loss account                          | 11           | <u>(2,947)</u> | <u>(7,518)</u> |
| <b>EQUITY SHAREHOLDERS' FUNDS</b>                | 12           | <u>(1,774)</u> | <u>(6,418)</u> |

Approved by the board on 30 June 1997.



T R BOWLER



DIRECTOR



**ASSOCIATED INDEPENDENT MERCHANT STOCKISTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 1997**

**1 ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

**(a) Accounting convention**

The financial statements set out on pages 5 to 9 are prepared under the historical cost convention.

**(b) Depreciation**

Tangible fixed assets are written off over their estimated useful lives on a straight line basis at the following annual rates:

|                  |     |
|------------------|-----|
| Office equipment | 10% |
| Computer         | 20% |

**(c) Turnover**

Turnover represents invoiced sales less allowances, trade discounts and value added tax.

**2 TURNOVER**

All turnover arose from trading in the UK. Many rebates in 1996/97 were paid directly to members.

**3 STAFF PARTICULARS**

|                        |             |             |
|------------------------|-------------|-------------|
| Staff costs comprised: | <u>1997</u> | <u>1996</u> |
|                        | £           | £           |
| Social Security costs  | <u>-</u>    | <u>175</u>  |

The average weekly number of persons employed during the year was made up as follows:

|                |               |             |
|----------------|---------------|-------------|
|                | <u>1997</u>   | <u>1996</u> |
|                | <u>Number</u> |             |
| Administration | <u>5</u>      | <u>5</u>    |

**ASSOCIATED INDEPENDENT MERCHANT STOCKISTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 1997**

**4 OTHER INTEREST RECEIVABLE AND SIMILAR INCOME**

Interest receivable and similar income represented interest receivable on bank deposits.

**5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

Profit on ordinary activities before taxation is stated after charging the following:

|                                    | <u>1997</u><br>£  | <u>1996</u><br>£  |
|------------------------------------|-------------------|-------------------|
| Depreciation (Note 6)              | 435               | 661               |
| Auditor's remuneration - audit fee | 650               | 650               |
| Staff costs                        | -                 | 175               |
|                                    | <u>          </u> | <u>          </u> |

**6 TAX ON PROFIT ON ORDINARY ACTIVITIES**

|   | <u>1997</u><br>£ | <u>1996</u><br>£  |
|---|------------------|-------------------|
| The tax charge for the year represented       | 2,750            | -                 |
| Corporation Tax on profit for the year at 24% | 125              | -                 |
| Adjustment in respect of previous year        | <u>2,875</u>     | <u>          </u> |

**6 FIXED ASSETS - TANGIBLE**

The movement of these accounts during the year was as follows:

|                                   | <u>Office<br/>equipment</u><br>£ | <u>Computer</u><br>£ | <u>Total</u><br>£ |
|-----------------------------------|----------------------------------|----------------------|-------------------|
| <b>Cost</b>                       |                                  |                      |                   |
| At 1 April 1996 and 31 March 1997 | <u>4,765</u>                     | <u>4,673</u>         | <u>9,438</u>      |
| <b>Accumulated depreciation</b>   |                                  |                      |                   |
| At 1 April 1996                   | 4,330                            | 4,673                | 9,003             |
| Charge                            | 435                              |                      | 435               |
| Disposals                         | <u>          </u>                | <u>          </u>    | <u>          </u> |
| At 31 March 1997                  | <u>4,765</u>                     | <u>4,673</u>         | <u>9,438</u>      |
| <b>Net book amount</b>            |                                  |                      |                   |
| At 31 March 1997                  | <u>          </u>                | <u>          </u>    | <u>          </u> |
| At 1 April 1996                   | <u>435</u>                       | <u>          </u>    | <u>435</u>        |

**ASSOCIATED INDEPENDENT MERCHANT STOCKISTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 1997**

**7 DEBTORS**

Debtors comprised:

|               | <u>1997</u> | <u>1996</u> |
|---------------|-------------|-------------|
|               | £           | £           |
| Other debtors | <u>796</u>  | <u>-</u>    |

**8 CREDITORS**

Amounts falling due within one year

Creditors comprised:

|                                    | <u>1997</u>   | <u>1996</u>   |
|------------------------------------|---------------|---------------|
|                                    | £             | £             |
| Trade creditors                    | 12,000        | 18,600        |
| Other taxation and social security | 2,750         | 695           |
| Accruals and deferred income       | 650           | 2,650         |
|                                    | <u>15,400</u> | <u>21,945</u> |

**9 CALLED UP SHARE CAPITAL**

Called up share capital comprised allotted, called up and fully paid ordinary shares of £1 each. The authorised share capital of the company throughout the year was £2,000 divided into 2,000 ordinary shares of £1 each. During the year share capital was increased by 100 £1 ordinary shares of value £100.

**10 RESERVES**

The movement of reserves during the year was as follows:

|                              | <u>Profit and<br/>loss<br/>account</u><br>£ |
|------------------------------|---|
| At 1 April 1996              | (7,518)                                     |
| Retained profit for the year | <u>4,544</u>                                |
| At 31 March 1997             | <u>(2,974)</u>                              |

**11 EQUITY SHAREHOLDERS' FUNDS**

The reconciliation of movements in shareholders' funds was as follows:

|   | <u>1997</u>    | <u>1996</u>    |
|---|----------------|----------------|
|   | £              | £              |
| Profit for the financial year             | 4,544          | 1,642          |
| Balance at 1 April 1996                   | (6,418)        | (8,060)        |
| Increase in share capital during the year | <u>100</u>     | <u>-</u>       |
| Balance at 31 March 1997                  | <u>(1,774)</u> | <u>(6,418)</u> |

**ASSOCIATED INDEPENDENT MERCHANT STOCKISTS LIMITED**  
**MANAGEMENT INFORMATION SCHEDULE A**  
**PROFIT AND LOSS ACCOUNT ANALYSIS**  
**YEAR ENDED 31 MARCH 1997**

|  | <u>1997</u>    |                     | <u>1996</u>      |                     |
|--|----------------|---------------------|------------------|---------------------|
|  | £              | £                   | £                | £                   |
| Buying rebates received                              | 4,928          |                     | 159,984          |                     |
| Rebates paid to member companies                     | <u>(4,928)</u> | -                   | <u>(159,984)</u> | -                   |
| <b>ADMINISTRATIVE EXPENSES</b>                       |                |                     |                  |                     |
| Training   | 192            |                     | -                |                     |
| Audit and accountancy                                | 650            |                     | 650              |                     |
| Printing, postage and stationery                     | 186            |                     | 460              |                     |
| Advertising and marketing                            | 1629           |                     | 6,499            |                     |
| Golf Day   | 4,613          |                     | -                |                     |
| National insurance                                   | -              |                     | 175              |                     |
| Insurance  | 205            |                     | -                |                     |
| Travel and subsistence                               | 1,923          |                     | 1,871            |                     |
| Sundry expenses                                      | 136            |                     | 117              |                     |
| Cost of meetings                                     | 10,127         |                     | 16,933           |                     |
| Depreciation   | 435            |                     | 661              |                     |
| Bank charges   | 181            |                     | 334              |                     |
| Profit on disposal of fixed assets                   | <u>-</u>       |                     | <u>(65)</u>      |                     |
|  | 20,277         |                     | 27,635           |                     |
| Less contribution from members                       |                |                     |                  |                     |
| Re : Cost of meetings                                | 7,420          |                     | 15,843           |                     |
| Administrative expenses                              | <u>20,100</u>  |                     | <u>12,900</u>    |                     |
|  | <u>27,520</u>  | <u>7,243</u>        | <u>28,743</u>    | <u>1,108</u>        |
|  |                | 7,243               |                  | 1,108               |
| Bank interest received                               |                | <u>176</u>          |                  | <u>534</u>          |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |                | <u><u>7,419</u></u> |                  | <u><u>1,642</u></u> |