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A.A.FRANCES & SONS LIMITED
TRADING AS A.F.C.

FINANCIAL STATEMENTS

30TH JUNE 1999

Registered number: 1875174



MCKNIGHT WINWOOD & CO
CHARTERED CERTIFIED ACCOUNTANTS
Worcester

A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

FINANCIAL STATEMENTS

for the year ended 30th June 1999

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

COMPANY INFORMATION

30th June 1999

INCORPORATED	England and Wales 3rd January 1985
NUMBER	1875174
DIRECTORS	Mr A H Crompton Mrs F M Crompton
SECRETARY	Mrs F M Crompton
REGISTERED OFFICE	Unit 10 Dunlop Road Hunt End Industrial Estate Redditch Worcestershire B97 5XP
AUDITORS	McKnight Winwood & Co Chartered Certified Accountants Britannia Court Britannia Road Worcester WR1 3DF

A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

DIRECTORS' REPORT

30th June 1999

The directors present their report and the audited financial statements for the year ended 30th June 1999.

Principal activity

The principal activity of the company is that of electrical, security and decorating contractors.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	30th June 1999 Ordinary shares	1st July 1998 Ordinary shares
Mr A H Crompton	50	50
Mrs F M Crompton	50	50

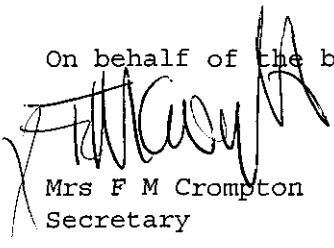
Auditors

McKnight Winwood & Co have agreed to offer themselves for re-appointment as auditors of the company.

Small company exemptions

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board


Mrs F M Crompton
Secretary

Unit 10 Dunlop Road
Hunt End Industrial Estate
Redditch
Worcestershire B97 5XP

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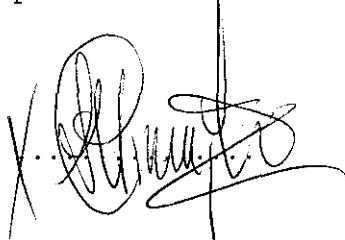
A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

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 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.



On behalf of the board

X / Mr A H Crompton
Director

A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

AUDITORS' REPORT

Auditors' report to the members of

A.A.Frances & Sons Limited Trading as A.F.C.

We have audited the financial statements on pages 5 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and 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 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 error or other irregularity. 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 30th June 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Worcester

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24 April 2000



McKnight Winwood & Co
Registered Auditors
Chartered Certified Accountants

A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

PROFIT AND LOSS ACCOUNT

for the year ended 30th June 1999

	Note	1999 £	1998 £
Turnover	2	574,176	639,843
Cost of sales		(432,827)	(482,360)
Gross profit		141,349	157,483
Net operating expenses			
Distribution costs		(82,215)	(89,931)
Administrative expenses		(46,260)	(45,396)
Operating profit	3	12,874	22,156
Interest payable		(3,612)	(3,742)
Profit on ordinary activities before taxation		9,262	18,414
Taxation	5	(3,671)	(5,268)
Profit on ordinary activities after taxation		5,591	13,146
Dividends	6	(16,973)	(10,000)
Retained (loss)/profit for the year	13	(11,382)	3,146

Movements in reserves are shown in note 13.

A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

BALANCE SHEET

at 30th June 1999

	Note	1999		1998	
		£	£	£	£
Fixed assets					
Tangible assets	7		21,183		38,998
Current assets					
Stocks	8	60,216		71,667	
Debtors	9	53,105		58,244	
Cash at bank and in hand		1,938		1,518	
		115,259		131,429	
Creditors: amounts falling due within one year	10	(123,111)		(140,239)	
Net current liabilities			(7,852)		(8,810)
Total assets less current liabilities			13,331		30,188
Creditors: amounts falling due after more than one year	11		(185)		(5,662)
			13,146		24,526
Capital and reserves					
Called up share capital	12		100		100
Profit and loss account	13		13,046		24,426
Total shareholders' funds			13,146		24,526

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

The financial statements on pages 5 to 11 were approved by the board of directors on 14.04.00 and signed on its behalf by:

Mr A H Crompton
Director

A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

NOTES ON FINANCIAL STATEMENTS

30th June 1999

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996) on the grounds that it qualifies as a small company under the Companies Act 1985.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant and machinery	20% reducing balance
Motor vehicles	25% straight line

Stocks

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.

2 Turnover

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK (1998 nil).

3 Operating profit

	1999 £	1998 £
Operating profit is stated after charging:		
Auditors' remuneration	900	900
Loss on sale of assets	1,472	-
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Depreciation of tangible fixed assets (note 7):		
Owned assets	11,480	10,000
Leased assets	2,806	3,333
	<hr/>	<hr/>
	14,286	13,333
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A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

NOTES ON FINANCIAL STATEMENTS

30th June 1999

4 Directors

	1999 £	1998 £
Directors' emoluments	17,889	12,240

Defined contribution pension scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £3,600 (1998 £3,600). Contributions totalling £0 (1998 £0) were payable to the fund at 30th June 1999 and are included in creditors.

During the year retirement benefits were accruing to 2 directors (1998-2) in respect of money purchase pension schemes.

5 Taxation

	1999 £	1998 £
Corporation tax on profit on ordinary activities at 21% (1998 21%)	3,671	1,600
Advance corporation taxation	-	2,500
	3,671	4,100
Under provision in earlier years	-	1,168
	3,671	5,268

6 Dividends

	1999 £	1998 £
Equity - ordinary/final	16,973	10,000

A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

NOTES ON FINANCIAL STATEMENTS

30th June 1999

7 Tangible fixed assets

	Plant and Machinery etc £
Cost	
1st July 1998	67,747
Additions	2,443
Disposals	(9,555)
30th June 1999	<u>60,635</u>
Depreciation	
1st July 1998	28,749
Charge for the year	14,286
Disposals	(3,583)
30th June 1999	<u>39,452</u>
Net book amount	
30th June 1999	<u>21,183</u>
1st July 1998	<u>38,998</u>

Included above are assets held under hire purchase contracts amounting to £8,311 (1998 £18,763).

8 Stocks

	1999 £	1998 £
Stocks	<u>60,216</u>	<u>71,667</u>

9 Debtors

	1999 £	1998 £
Amounts falling due within one year		
Trade debtors	49,607	54,167
Other debtors	3,498	4,077
	<u>53,105</u>	<u>58,244</u>

A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

NOTES ON FINANCIAL STATEMENTS

30th June 1999

10 Creditors: amounts falling due within one year

	1999 £	1998 £
Bank overdrafts	39,661	36,394
Trade creditors	47,639	52,378
Obligations under finance leases and hire purchase contracts - note 11	2,328	6,626
Corporation tax	12,306	16,635
Other taxation and social security	7,249	16,952
Other creditors	13,928	11,254
	<u>123,111</u>	<u>140,239</u>

The bank overdraft is secured by a debenture over the company assets and person guarantees by the Directors.

11 Creditors: amounts falling due after more than one year

	1999 £	1998 £
Obligations under finance leases and hire purchase contracts	185	5,662
	<u>185</u>	<u>5,662</u>

12 Called up share capital

	1999		1998	
	Number of shares	£	Number of shares	£
Authorised				
Authorised share capital - o	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Allotted, called up and fully paid				
Authorised share capital - o	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

A.A.FRANCES & SONS LIMITED TRADING AS A.F.C.

NOTES ON FINANCIAL STATEMENTS

30th June 1999

13 Profit and loss account

	1999 £
1st July 1998	24,428
Retained loss for the year	(11,382)
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30th June 1999	13,046
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14 Directors' interests and loans

Included within other creditors are loans from the directors totalling £5,707 (1998 £5,902).

15 Controlling parties

The controlling parties are Mr and Mrs Crompton by virtue of them each owning 50% of the issued ordinary share capital in the company.