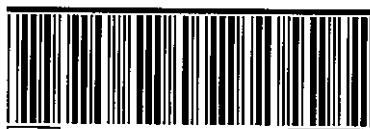


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A & E SUPPLIES LIMITED  
DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31st MARCH 1994



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A & E SUPPLIES LIMITED

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FOR THE YEAR ENDED 31st MARCH 1994

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**A & E SUPPLIES LIMITED**

**COMPANY INFORMATION**

**Directors**

A.E.Hurford  
E.P.Hurford

**Company secretary**

E.P.Hurford

**Registered office**

Bennett House  
607, Stretford Road  
Old Trafford  
Manchester

**Company number**

2098549

**Auditors**

Teasdales  
Chartered Accountants  
and Registered Auditors  
Bennett House  
607, Stretford Road  
Old Trafford  
Manchester

**Bankers**

Barclays Bank plc  
Bramhall Branch

## A & E SUPPLIES LIMITED

### DIRECTORS' REPORT

FOR THE YEAR ENDED 31st MARCH 1994

The directors present herewith their annual report and the audited financial statements for the year ended 31st March 1994.

### **PRINCIPAL ACTIVITIES**

The company's principal activity continues to be that of manufacturers and dealers in paper and all related paper products

### **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>	
	31st March 1994	31st March 1993
A.E.Hurford	1	1
E.P.Hurford	1	1

### **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 the affairs of the company and of the profit and 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.

### **AUDITORS**

The auditors, Teasdales, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

A & E SUPPLIES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31st MARCH 1994

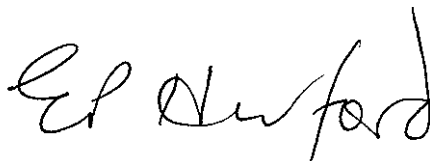
In preparing these financial statements advantage has been taken of the special exemptions applicable to small companies conferred by Part I Section A of Schedule 8 to the Companies Act 1985.

Advantage is taken in the preparation of the directors' report of the special exemptions applicable to small companies conferred by Part II of Schedule 8 of the Companies Act 1985.

This report was approved by the board on 12th April 1995.

Signed on behalf of the board of directors,

E.P. Hurford  
Secretary

A handwritten signature in cursive script, appearing to read 'E.P. Hurford', is written over the typed name and title.

**A & E SUPPLIES LIMITED**

**AUDITORS' REPORT TO THE SHAREHOLDERS OF A & E SUPPLIES LIMITED**

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies on pages 7 and 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.

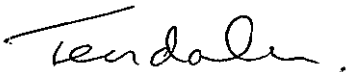
**Basis of opinion**

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 31st March 1994 and of its loss for the year then ended and have been properly prepared in accordance with those provisions of the Companies Act 1985 that are applicable to small companies.



**Teasdales  
Chartered Accountants  
and Registered Auditors  
Manchester  
12th April 1995**

**A & E SUPPLIES LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31st MARCH 1994**

		Continuing Operations	
	<u>Notes</u>	<u>1994</u> £	<u>1993</u> £
TURNOVER		293,864	330,132
COST OF SALES		(213,721)	(231,947)
GROSS PROFIT		80,143	98,185
Administrative expenses		(86,225)	(96,079)
Other operating income		1,750	-
OPERATING (LOSS)/PROFIT	2	(4,332)	2,106
Interest payable and similar charges		(2,079)	(2,448)
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(6,411)	(342)
Tax on ordinary activities		-	-
(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION (RETAINED)	9	(6,411)	(342)

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

**NOTE OF HISTORICAL PROFITS AND LOSSES**

There are no material differences between the reported profit on ordinary activities before taxation and the historical cost profit for the year. Similarly, there were no such adjustments in respect of 1993.

**A & E SUPPLIES LIMITED**

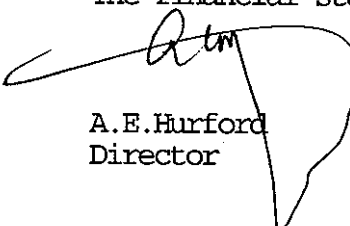
**BALANCE SHEET**  
**AS AT 31st MARCH 1994**

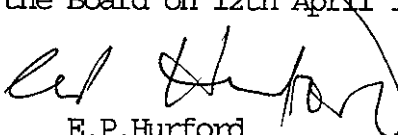
	<u>Notes</u>	£	<u>1994</u> £	£	<u>1993</u> £
<b>FIXED ASSETS</b>					
Tangible assets	3		35,430		36,735
<b>CURRENT ASSETS</b>					
Stocks	4	13,210		9,912	
Debtors	5	68,391		100,636	
Cash at bank and in hand		275		-	
		81,876		110,548	
<b>CREDITORS - amounts falling due within one year</b>	6	(120,438)		(143,878)	
<b>NET CURRENT (LIABILITIES)</b>			(38,562)		(33,330)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			(3,132)		3,405
<b>CREDITORS - amounts falling due after more than one year</b>	7		(2,777)		(2,902)
<b>NET (LIABILITIES) /ASSETS</b>			£ (5,909)		£ 503
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		2		2
Profit and loss account	9		(5,911)		501
<b>SHAREHOLDERS' FUNDS</b>	10		£ (5,909)		£ 503

In preparing these financial statements:

- (a) Advantage has been taken of the special exemptions applicable to small companies conferred by Part I Section A of Schedule 8 to the Companies Act 1985, and
- (b) In the directors' opinion the company is entitled to those exemptions as a small company.

The financial statements were approved by the Board on 12th April 1995.

  
A.E. Hurford  
Director

  
E.P. Hurford  
Director



## **A & E SUPPLIES LIMITED**

### **NOTES TO THE ACCOUNTS**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Accounting conventions**

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

The company has taken advantage of the exemption in FRS 1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

##### **1.2 Turnover**

This represents the invoiced amounts of goods sold and provided, net of value added tax and trade discounts.

##### **1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Provision is made for depreciation on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Fixtures and fittings:	20% per annum on cost
Plant and machinery:	10% per annum on cost
Motor vehicles:	25% per annum on cost

##### **1.4 Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their estimated useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

# A & E SUPPLIES LIMITED

## NOTES TO THE ACCOUNTS - continued

### 1.5 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.

### 1.6 Deferred taxation

Deferred taxation is provided by the liability method at current or expected future rates of taxation in respect of:-

- (1) timing differences between profits computed for tax purposes and profits as stated in the financial statements;
- (2) other timing differences;
- (3) advanced corporation tax which is expected to be set off against United Kingdom corporation tax liabilities of future years

except where, in the opinion of the directors, the potential tax liability is unlikely to become payable or recovery made in the foreseeable future.

## 2. OPERATING (LOSS)/PROFIT

	<u>1994</u>	<u>1993</u>
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	8,855	7,440
Hire purchase and finance lease interest	1,693	2,415
Auditors' remuneration	1,200	1,192
Directors' emoluments:		
Directors' remuneration	26,682	24,356
and after crediting:		
Management charges	<u>1,750</u>	<u>-</u>

**A & E SUPPLIES LIMITED**

**NOTES TO THE ACCOUNTS - continued**

**3. TANGIBLE FIXED ASSETS**

	<u>Fixtures and fittings</u>	<u>Plant and equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£	£
Cost:				
At 1st April 1993	1,910	46,330	9,705	57,945
Additions	-	-	7,551	7,551
At 31st March 1994	1,910	46,330	17,256	65,496
Depreciation:				
At 1st April 1993	382	13,076	7,753	21,211
Charge for year	382	4,633	3,840	8,855
At 31st March 1994	764	17,709	11,593	30,066
Net book value at 31st March 1994	£ 1,146	£ 28,621	£ 5,663	£ 35,430
Net book value at 31st March 1993	£ 1,528	£ 33,254	£ 1,952	£ 36,734

Included in the amounts for plant and machinery are the following amounts relating to leased assets and assets which are subject to hire purchase contracts:

	<u>Motor Vehicle</u>	<u>Plant and Machinery</u>
	£	£
Cost:		
at 31st March 1994	7,551	40,000
Accumulated depreciation:		
At 1st April 1993	-	12,000
At 31st March 1994	1,888	16,000
Depreciation charged during year	1,888	4,000
Net book value:		
At 31st March 1994	£ 5,663	£ 24,000
At 31st March 1993	£ -	£ 28,000

**4. STOCKS**

	<u>1994</u>	<u>1993</u>
	£	£
Raw materials and work in progress	£ 13,210	£ 9,912

**A & E SUPPLIES LIMITED****NOTES TO THE ACCOUNTS - continued**

5. DEBTORS	<u>1994</u>	<u>1993</u>
	£	£
Trade debtors	53,176	88,261
Other debtors	9,003	9,003
Prepayments	2,136	1,032
Directors' current accounts	4,076	2,340
	<u>£ 68,391</u>	<u>£ 100,636</u>
6. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>1994</u>	<u>1993</u>
	£	£
Bank loans and overdraft	21,183	22,590
Obligations under lease and hire purchase contracts	4,839	7,753
Trade creditors	53,773	72,465
Other taxes and social security costs	37,210	33,460
Accruals	3,433	7,610
	<u>£ 120,438</u>	<u>£ 143,878</u>

# **A & E SUPPLIES LIMITED**

## **NOTES TO THE ACCOUNTS - continued**

### **7. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

Obligations under lease  
and hire purchase contracts

<u>1994</u>	<u>1993</u>
£	£
2,777	2,902
£ 2,777	£ 2,902

Details of security given are as follows:

Amounts falling due within one year:

Bank loans and overdrafts

HP and finance leass

Other creditors

<u>1994</u>	<u>1993</u>
£	£
21,183	22,590
4,839	7,753
-	-
26,022	30,343

Amounts falling due after one year:

HP and finance leases:

- due within five years

<u>1994</u>	<u>1993</u>
£	£
2,777	2,902
2,777	2,902

### **8. SHARE CAPITAL**

Authorised Allotted, Issued and fully paid

2 Ordinary shares of £1 each

<u>£</u>	<u>1994</u>	<u>1993</u>
	£	£
100	2	2

### **9. PROFIT AND LOSS ACCOUNT**

Balance at 1st April 1993

Retained loss for the year

Balance at 31st March 1994

<u>1994</u>	<u>1993</u>
£	£
500	843
(6,411)	(342)
(5,911)	501

**A & E SUPPLIES LIMITED**

**NOTES TO THE ACCOUNTS - continued**

**10. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	<u>1994</u>	<u>1993</u>
	£	£
Profit/(loss) for the year	(6,411)	(342)
Net addition to/(withdrawal from) shareholders' funds	(6,411)	(342)
Opening shareholders' funds	503	845
Closing shareholders' funds	<u>(5,909)</u>	<u>503</u>

**11. TRANSACTIONS WITH DIRECTORS**

**11.1 Loan to director**

During the year A.E.Hurford was granted an interest-free loan by the company. Indebtedness on the loan was as follows:-

	<b>A.E.Hurford</b>
Liability at 1st April 1993	£ 2,340
Maximum liability during the year	£ 4,076
Liability at 31st March 1994	£ 4,076