

AARON CHEMICALS LIMITED

FINANCIAL STATEMENTS

1998



AARON CHEMICALS LIMITED

YEAR ENDED 31st DECEMBER 1998

COMPANY REGISTRATION NUMBER

2677024

DIRECTOR

J L HARVEY

COMPANY SECRETARY

P H HARVEY, FCA

REGISTERED OFFICE

25 Mascalls Park
Paddock Wood
Kent TN12 6LW

ACCOUNTANTS

Norman Cox and Ashby
Chartered Accountants and Registered Auditors
Grosvenor Lodge, 72 Grosvenor Road
Tunbridge Wells Kent TN1 2AZ

BANKERS

Lloyds Bank plc
Southborough High Street
Southborough
Tunbridge Wells Kent

AARON CHEMICALS LIMITED

REPORT OF THE DIRECTOR

FOR THE YEAR ENDED 31st DECEMBER 1998

The director submits her report and the financial statements for the year ended 31st December 1998.

PRINCIPAL ACTIVITIES

The principal activity of the company is that of sale and distribution of cleaning products.

DIRECTOR AND INTEREST IN SHARES

J L Harvey served as a director throughout the year and had an interest in the ordinary share capital of the company of 5,250 shares at 31 December 1997 and at 31 December 1998.

DIRECTOR'S RESPONSIBILITIES

Company law requires the director 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 director is required to

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

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable her to ensure that the financial statements comply with the Companies Act 1985. She is 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

In accordance with Section 249A Companies Act 1985 the company has taken advantage of the exemption to an audit.

SMALL COMPANY EXEMPTION

In preparing this report, the director has taken advantage of the special provisions of Part VII of Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

25 Mascalls Park
Paddock Wood
Kent TN12 6LW

On behalf of the Director


P H Harvey F.C.A.

Secretary

22nd October 1999

AARON CHEMICALS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st DECEMBER 1998

	<u>Notes</u>	£	£	£	<u>1997</u> £
TURNOVER	2		82,143		70,342
Deduct: Cost of Sales			25,383		23,011
			<hr/>		<hr/>
GROSS PROFIT			56,760		47,331
Selling and Distribution		41,478		23,663	
Administrative Expenses		19,927		11,133	
		<hr/>		<hr/>	
			61,405		34,796
			<hr/>		<hr/>
OPERATING LOSS (1997: PROFIT)			(4,645)		12,535
Interest Payable	5		176		141
			<hr/>		<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION (1997: PROFIT)			(4,821)		12,394
TAXATION	6		(797)		2,445
			<hr/>		<hr/>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION (1997: PROFIT)			(4,024)		9,949
Dividends	7		-		6,565
			<hr/>		<hr/>
LOSS FOR THE YEAR (1997: RETAINED PROFIT)			(4,024)		3,384
BALANCE BROUGHT FORWARD AT 1st JANUARY 1998			5,149		1,765
			<hr/>		<hr/>
BALANCE CARRIED FORWARD AT 31st DECEMBER 1998			£ 1,125		£ 5,149
			<hr/> <hr/>		<hr/> <hr/>

None of the company's activities was acquired or discontinued in the above two financial years.

AARON CHEMICALS LIMITED

BALANCE SHEET

AT 31st DECEMBER 1998

	<u>Notes</u>	£	£	£	<u>1997</u> £
FIXED ASSETS					
Tangible Assets	8		3,670		3,122
CURRENT ASSETS					
Stock	1	5,838		4,832	
Debtors	9	19,223		28,653	
		25,061		33,485	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	21,356		25,208	
NET CURRENT ASSETS			3,705		8,277
TOTAL ASSETS LESS CURRENT LIABILITIES			£ 7,375		£ 11,399
CAPITAL AND RESERVES					
Called Up Share Capital	12		6,250		6,250
Profit and Loss Account			1,125		5,149
EQUITY SHAREHOLDERS' FUNDS			£ 7,375		£ 11,399

- (a) The company was entitled to the exemption conferred by Section 249A(1) Companies Act 1985 for the year ended 31st December 1998.
- (b) The company has not received notice from any member requiring an audit under Section 249B(2) Companies Act 1985 for the year ended 31st December 1998.
- (c) The director acknowledges her responsibilities for (i) ensuring that the company keeps accounting records which comply with Section 221 Companies Act 1985, and (ii) 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 loss for the financial year in accordance with the requirements of Section 226 Companies Act 1985 and which otherwise comply with the requirements of the Act relating to the accounts, so far as it is applicable to the company.
- (d) These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities.

These financial statements were approved by the Director on 22nd October 1999 and signed


J L HARVEY

Director

AARON CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 1998

1 ACCOUNTING POLICIES

The following principal accounting policies have been consistently used in the preparation of the financial statements.

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

(b) Turnover

Turnover represents the invoiced amounts for goods supplied, excluding value added tax.

(c) Depreciation

Depreciation is provided on all tangible fixed assets and rates are calculated to write off the cost of each asset evenly over its expected useful life as follows:

Motor Vehicles	-	over 4 years
Furniture and Equipment	-	over 5 years (over 10 years to 31 December 1993)

(d) Stock for Resale

Stock is valued at the lower of cost and net realisable value.

2 TURNOVER

All the turnover arises in the United Kingdom.

3 OPERATING LOSS (1997: PROFIT)

	£	1997 £
The operating Loss (1997: Profit) is stated after charging/(crediting):		
Depreciation	1,907	1,924
(Profit) on Disposal of Fixed Assets	(154)	(4,925)
Director's Remuneration	8,438	9,495
Staff Costs including Social Security Costs	20,723	10,939
	<u> </u>	<u> </u>

4 STAFF COSTS

Commissions and Salaries	£20,723	£10,939
	<u> </u>	<u> </u>

The average number of employees during the year including the working director, was:

Selling and Distribution	2	1
Administrative	1	1
	<u> </u>	<u> </u>
	3	2
	<u> </u>	<u> </u>

AARON CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 1998

	£	<u>1997</u> £
5 INTEREST PAYABLE		
Bank Overdraft and Loan Repayable within 5 years, not by instalments	£ 176	£ 141
	<u> </u>	<u> </u>
6 TAXATION		
(a) The taxation recoverable on ordinary activities (1997: Chargeable) Corporation Tax at 21% (1997: 24% to 31 March 1997 and 21% from 1 April 1997) Adjustment for previous years	(804) 7	2,443 2
	<u> </u>	<u> </u>
	£ (797)	£ 2,445
	<u> </u>	<u> </u>
(b) Taxation included in creditors comprises:		
Corporation Tax for the current year	-	2,443
Deduct: Advance Corporation Tax	-	391
	<u> </u>	<u> </u>
Payable on 1st October 1999	-	2,052
Add: Advance Corporation Tax	-	391
	<u> </u>	<u> </u>
	£ -	£ 2,443
	<u> </u>	<u> </u>
(c) Tax not included in debtors comprises:		
Corporation Tax recoverable	804	-
Income Tax recoverable on director's loan repaid	718	-
	<u> </u>	<u> </u>
	£ 1,522	£ -
	<u> </u>	<u> </u>
7 DIVIDENDS AND SHARES		
	£	<u>1997</u> £
Interim Dividend paid in year	-	1,565
Final Dividend proposed and paid on 16 November 1998	-	5,000
	<u> </u>	<u> </u>
	£ -	£ 6,565
	<u> </u>	<u> </u>

AARON CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 1998

8 TANGIBLE FIXED ASSETS

	<u>Motor Vehicles</u> £	<u>Furniture and Equipment</u> £	<u>Total</u> £
Cost			
At 1st January 1998	6,133	2,624	8,757
Disposals in the year	(2,960)	(943)	(3,903)
Additions in the year	2,985	316	3,301
	<hr/>	<hr/>	<hr/>
At 31st December 1998	6,158	1,997	8,155
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1st January 1998	3,806	1,829	5,635
Provided during the year	1,540	367	1,907
Released on Disposal	(2,220)	(837)	(3,057)
	<hr/>	<hr/>	<hr/>
At 31st December 1998	3,126	1,359	4,485
	<hr/>	<hr/>	<hr/>
Net Book Value			
At 31st December 1998	£ 3,032	£ 638	£ 3,670
	<hr/>	<hr/>	<hr/>
At 31st December 1997	£ 2,327	£ 795	£ 3,122
	<hr/>	<hr/>	<hr/>

9	DEBTORS:		<u>1997</u>
	Trade Debtors	£	£
	Prepayments	16,414	24,417
	Director's Loan	287	365
	Other Debtors	-	2,871
	Taxation (Note 6)	1,000	1,000
		1,522	-
		<hr/>	<hr/>
		£ 19,223	£ 28,653
		<hr/>	<hr/>

10 CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR

Trade Creditors	11,025	9,307
Other Creditors	776	602
Accruals	630	3,520
Bank Overdraft	4,503	140
Taxation (Note 6)	-	2,443
Social Security and Other Taxes (Note 11)	4,422	4,196
Dividend	-	5,000
	<hr/>	<hr/>
	£ 21,356	£ 25,208
	<hr/>	<hr/>

AARON CHEMICALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 1998

	£	<u>1997</u> £
11 SOCIAL SECURITY AND OTHER TAXES		
Employee Taxes	673	73
Employer Taxes	280	69
Value Added Tax	3,469	4,054
	<hr/>	<hr/>
	£ 4,422	£ 4,196
	<hr/>	<hr/>
12 SHARE CAPITAL		
Authorised		
10,000 Ordinary Shares of £1 each	£ 10,000	£ 10,000
	<hr/>	<hr/>
Allotted Issued and Fully Paid		
6,250 Ordinary Shares of £1 each	£ 6,250	£ 6,250
	<hr/>	<hr/>