

**KENSWORTH SAWMILLS LIMITED**

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**COMPANY NO: 2687478**

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**REPORT AND ACCOUNTS**

**Year ended 31 January 1999**

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**P.J. GREENACRE & CO. LTD**

**CHARTERED ACCOUNTANTS**

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**KENSWOTRH SAWIMILLS LIMITED**

**Annual Report and Financial Statements**

**Year Ended 31 January 1999**

**Contents**

- 1      Officers and Professional Advisers**
- 2      Report of the Director**
- 3      Statement Of The Director's Responsibilities**
- 4      Profit and Loss Account**
- 5      Balance Sheet**
- 6 - 10   Notes To The Accounts**
- 11     Auditors' Report**

**KENSWORTH SAWMILLS LIMITED**

**Officers and Professional Advisers**

**Director**                      **R. G. Andrews**

**Secretary**                    **N. I.G. Jones**

**Registered Office**      **Kensworth Sawmills  
Dove House Lane  
Kensworth  
Beds.  
LU6 2PQ**

**Registered No.**            **2687478**

**Auditors'**                    **P.J.Greenacre & Co. Ltd  
Chartered Accountants  
The Old Bakery  
Tiptoe Road  
Wootton  
New Milton  
Hampshire  
BH25 5SJ**

## **KENSWORTH SAWMILLS LIMITED**

### **Report of the Director**

**Year Ended 31 January 1999**

The director submits his report together with the audited financial statements for the year ended 31 January 1999.

### **Principal Activities and Review of Business Developments**

The principal activities of the company continue to be that of Carpentry and Joinery.

The director is pleased to report an increase in turnover and profitability during the year.

The director expects to maintain the level of turnover and profitability in the forthcoming year.

Since the end of the financial year no events have occurred which although properly excluded from the financial statements, are such importance that the shareholders should be made aware of them.

### **Research and Development**

The company is not engaged in any research and development projects.

### **Results and Dividends**

The results are set out in the Profit and Loss Account on page 4 and show a profit before taxation of £ 21,721 compared to a profit of £ 14,456 in the previous year. The director does not recommend the payment of a dividend. The retained profit for the financial year amounting to £ 18,268 increases the balance on Reserves, the movement of which is set out in note 14 to the accounts.

### **Director's Interests**

	<b><u>Ordinary shares of £1 each</u></b>	
	<b><u>31 January 1999</u></b>	<b><u>31 January 1998</u></b>
R. G. Andrews	999	999

### **Fixed Assets**

Movements on fixed assets are set out in note 7 to the accounts.

### **Auditors'**

P. J. Greenacre & Co. Ltd, Registered Auditors, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

# **KENSWORTH SAWMILLS LIMITED**

## **Report of The Director ( Continued)**

**Year Ended 31 January 1999**

### **Statement Of The 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 company and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to:

1. Select suitable accounting policies and then to apply them consistently;
2. Make judgements and estimates that are reasonable and prudent;
3. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
4. 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 also 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. He 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.

By order of the Board

R.G. Andrews



Chairman

**18 December 1999**

**KENSWORTH SAWMILLS LIMITED****Profit and Loss Account****Year Ended 31 January 1999**

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
Turnover	2.	519320	461277
Cost of Sales		<u>376706</u>	<u>330090</u>
Gross Profit		142614	131187
Distribution Costs	20535	14949	
Administrative Expenses	<u>97547</u>	<u>118082</u>	<u>99447</u>
Operating Profit	3.	24532	16791
Other Income		<u>264</u>	<u>162</u>
		24796	16953
Interest Payable	5.	<u>3075</u>	<u>2497</u>
Profit Before Taxation		21721	14456
Taxation	6.	<u>3453</u>	<u>2138</u>
Profit For The Financial Year	14.	£ <u>18268</u>	£ <u>12318</u>

There were no recognised gains or losses other than those shown in the profit and loss account.

None of the company's operations were acquired or discontinued during the year.

The notes on pages 6 to 10 form part of these financial statements.

# **KENSWORTH SAWMILLS LIMITED**

## **Balance Sheet**


**As At 31 January 1999**

<b><u>Assets Employed :</u></b>	<b><u>Notes</u></b>	<b><u>1999</u></b>	<b><u>1998</u></b>
Fixed Assets			
Tangible Assets	7.	60270	51047
Current Assets			
Stock	8.	38817	35453
Debtors	9.	50784	55134
Cash in hand and at Bank		<u>100</u>	<u>5709</u>
		89701	96296
Creditors:			
Amounts falling due within one year	10.	<u>90006</u>	<u>103882</u>
Net Current Liabilities		( 305)	( 7586)
Total Assets Less Current Liabilities		59965	43461
Creditors:			
Amounts falling due after one year	11.	<u>20185</u>	<u>21949</u>
		£ 39780	£ 21512

## **Financed By :**

Capital and Reserves			
Called Up Share Capital	13.	1000	1000
Profit and Loss Account	14.	<u>38780</u>	<u>20512</u>
		£ 39780	£ 21512

These accounts were approved by the Board on 18th December, 1999.

 Director

**R. G. Andrews**

The notes on pages 6 to 10 form part of these financial statements.

## **KENSWORTH SAWMILLS LIMITED**

### **Notes To The Accounts**

**Year Ended 31 January 1999**

#### **1. Accounting Policies**

##### **1.1 Basis of Accounts**

The financial statements have been prepared under the historical cost convention, with assets carried in the balance sheet at or below their cost incurred at their dates of acquisition and without regard to their replacement cost.

##### **1.2 Depreciation**

Depreciation is provided to write off the cost less estimated residual value of all fixed assets over their expected useful lives on the following annual bases:

Motor vehicles	:	20% on Cost.
Plant and Equipment	:	20% on Cost

##### **1.3 Stock and Work in Progress**

Stock and Work in Progress are valued at the lower of cost and estimated net realisable value. Cost includes direct materials, direct labour, production overheads and an appropriate proportion of administrative costs.

##### **1.4 Deferred Taxation**

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that a liability is expected to crystallise within the foreseeable future. No provision is currently necessary.

##### **1.5 Cashflow Statement**

The company is entitled to the exemption conferred by section 246 to 249 of the Companies Act 1985 from the requirement to prepare a cashflow statement.

##### **1.6 Leases and Hire Purchase Agreements**

Assets obtained under Hire Purchase Agreements and Finance Leases are capitalised and depreciated in accordance with Note 1.2 above. Finance charges and Hire Purchase interest are calculated on a straight line basis over the lower of the estimated useful life of the asset or the length of the agreement. Operating lease rentals are written off as incurred.

#### **2. Turnover**

Turnover represents the invoice value, excluding Value Added Tax, of goods and services provided in the year.

#### **3. Operating Profit**

Stated after charging:	<u>1999</u>	<u>1998</u>
Operating Lease Rentals	15000	15000
Depreciation	16601	17237
Loss on disposal of vehicle	1806	1084
Auditors' Remuneration	800	800
Director's Emoluments	<u>20400</u>	<u>20400</u>



# **KENSWORTH SAWMILLS LIMITED**

## **Notes To The Accounts**

**Year Ended 31 January 1999**

### **4. Staff Numbers and Costs**

The average weekly number of employees, including the director, during the year was as follows:

	<u>1999</u>	<u>1998</u>
Office and Management	2	2
Manufacturing	<u>13</u>	<u>12</u>
	<u>15</u>	<u>14</u>

Staff Costs (including the Director's Remuneration)  
Consists of:

Wages and Salaries	142673	123878
Social Security Costs	<u>13795</u>	<u>11274</u>
£	<u>156468</u>	£ <u>135152</u>

Director's Emoluments Consist of:

Management Remuneration	£ <u>20400</u>	£ <u>20400</u>
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### **5. Interest Payable**

Hire Purchase Interest	2475	1597
Loan Interest Payable	<u>600</u>	<u>900</u>
£	<u>3075</u>	£ <u>2497</u>

### **6. Taxation**

Corporation Tax Payable based on the  
assessable profits for the year at 21%

£	<u>3453</u>	£ <u>2138</u>
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# KENSORTH SAWMILLS LIMITED

## Notes To The Accounts

Year Ended 31 January 1999

### 7. Tangible Fixed Assets

<u>Cost</u>	<u>Plant &amp; Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
At 1 February 1998	69056	19385	88441
Disposals	-	( 8462)	( 8462)
Additions	<u>12880</u>	<u>15000</u>	<u>27880</u>
At 31 January 1999	<u>81936</u>	<u>25923</u>	<u>107859</u>

### Aggregate Depreciation

At 1 February 1998	29623	7771	37394
Disposals	-	( 6406)	( 6406)
Charge for the Year	<u>10462</u>	<u>6139</u>	<u>16601</u>
At 31 January 1999	<u>40085</u>	<u>7504</u>	<u>47589</u>

### Net Book Values:

At 31 January 1998	<u>39433</u>	<u>11887</u>	£ <u>33259</u>
At 31 January 1999	<u>41851</u>	<u>18419</u>	£ <u>60270</u>

### 8. Stock

	<u>1999</u>	<u>1998</u>
Raw Materials and Consumables	38353	34023
Work in Progress	<u>464</u>	<u>1430</u>
	£ <u>38817</u>	£ <u>35453</u>

The replacement cost of stock is not materially different to the above value.

**KENSWORTH SAWMILLS LIMITED****Notes To The Accounts****Year Ended 31 January 1999**

	<u>1999</u>	<u>1998</u>
9. <b><u>Debtors: Due within one year</u></b>		
Trade debtors	£ <u>50784</u>	£ <u>55134</u>
10. <b><u>Creditors: Falling due within one year</u></b>		
Bank Overdraft	4985	20918
Trade Creditors	28264	34206
Corporation Tax	4267	2952
Social Security costs and other taxes	23705	20889
Director's Current Account	8099	6879
Other Creditors	5670	4373
Pension Fund Loan	3000	3000
Hire Purchase Liabilities	9126	5875
Accruals	<u>2890</u>	<u>4790</u>
	£ <u>90006</u>	£ <u>103882</u>
11. <b><u>Creditors: Falling due after one year</u></b>		
Pension Fund Loan	3000	6000
Hire Purchase Liabilities	<u>17185</u>	<u>15949</u>
	£ <u>20185</u>	£ <u>21949</u>

# KENSWORTH SAWMILLS LIMITED

## Notes To The Accounts

Year Ended 31 January 1999

	<u>1999</u>	<u>1998</u>
<b>12. <u>Leases And Hire Purchase Agreements</u></b>		
Finance Leases and Hire Purchase Agreements		
The company had net obligations as follows :		
Repayable within one year	9126	5875
Repayable after one year but within five years	<u>17185</u>	<u>15949</u>
	£ 26311	£ 21824
Details of Fixed Assets held under Hire Purchase Agreements comprise :		
	<u>Plant &amp; Equipment</u>	<u>Motor Vehicle</u>
Depreciation Charge for the year	£ 4080	£ 3000
Net Book Value at 31 January 1999	£ 12240	£ 12000
Operating Leases:		
Rental commitments for the year to 31 January 1999 under operating leases:	<u>Land and Buildings</u>	<u>Other</u>
Expiring after one year, but within five years	£ 15000	£ -
<b>13. <u>Called up Share Capital</u></b>	<u>1999</u>	<u>1998</u>
Authorised, Issued and Fully Paid:		
1000 Ordinary shares of £1 each	£ 1000	£ 1000
<b>14. <u>Profit and Loss Account</u></b>		
Balance at 1 February 1998	20512	8194
Profit For The Financial Year	<u>18268</u>	<u>12318</u>
Balance at 31 January 1999	£ 38780	£ 20512
<b>15. <u>Reconciliation Of Shareholders' Funds</u></b>		
Profit For The Financial Year	21512	9194
Shareholders' Funds at 1 February 1998	<u>18268</u>	<u>12318</u>
Shareholders' Funds at 31 January 1999	£ 39780	£ 21512

## **KENSWORTH SAWMILLS LIMITED**

### **Report Of The Auditor To The Members**

**Year Ended 31 January 1999**

We have audited the financial statements on pages 4 to 10 which have been prepared 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 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 31 January 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

The Old Bakery,  
Tiptoe Road,  
Wootton, New Milton  
Hampshire BH25 5SJ

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**18 December 1999**



**P.J. Greenacre & Co. Ltd  
Chartered Accountants  
& Registered Auditors**