

C.M. SUPPLIES LIMITED  
ACCOUNTS FOR THE YEAR ENDED  
30TH NOVEMBER, 1999.

CONTENTS

PAGE

1.	Report of the Directors.
2.	Report of the Auditors.
3.	Profit and Loss Account.
4.	Balance Sheet.
5-8.	Notes to the Accounts.
9-10	Trading and Profit and Loss Account. {Management Information Schedule only}.

Prepared by :

D. K. RUMSBY & CO.,  
REGISTERED AUDITORS,  
64-66, OUTRAM STREET,  
SUTTON IN ASHFIELD,  
NOTTINGHAMSHIRE,  
NG17 4FS.

23RD MARCH, 2000.



## DIRECTORS

M. A. Milward, Esq.  
C. J. Milward, Esq.

## REGISTERED OFFICE

66, Outram Street,  
Sutton in Ashfield,  
Nottinghamshire,  
NG17 4FS.

## SECRETARY

C. J. Milward, Esq.

## REPORT OF THE DIRECTORS

## ACCOUNTS

The directors present their report with the financial statements of the company for the year ended 30th November 1999.

## PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture and sale of double glazing products.

## DIRECTORS

The directors of the company in office during the year and their beneficial interests in the issued share capital were as follows :

	AT 30.11.99.	AT 30.11.98.
M. A. Milward, Esq.	100	100
C. J. Milward, Esq.	100	100

In accordance with the Articles of Association, no director is required to retire by rotation at the forthcoming Annual General Meeting.

## 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 judgments 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, D. K Rumsby & Co., will be proposed for re-appointment in accordance with Section 385A of the Companies Act 1985.

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

ON BEHALF OF THE BOARD

  
C. J. MILWARD, ESQ.  
SECRETARY

23RD MARCH, 2000.

REPORT OF THE AUDITORS  
TO THE MEMBERS OF  
C.M. SUPPLIES LIMITED

We have audited the financial statements on pages three to eight 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 five.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page one, 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 judgments 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 30th November 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

D. K. RUMSBY & CO.,  
REGISTERED AUDITORS,  
64-66, OUTRAM STREET,  
SUTTON IN ASHFIELD,  
NOTTINGHAMSHIRE,  
NG17 4FS.



23RD MARCH, 2000.

D. K. RUMSBY & CO.

PROFIT AND LOSS ACCOUNT FOR THE  
YEAR ENDED 30TH NOVEMBER, 1999.

		1998
	£	£
Turnover	1835538	1426177
Cost of Sales	(1195706)	(932109)
	-----	-----
GROSS PROFIT	639832	494068
Administrative Expenses	(480852)	(323085)
	-----	-----
OPERATING PROFIT {Note 2}	158980	170983
Interest Receivable and Similar Income	-	2657
	-----	-----
	158980	173640
Interest Payable and Similar Charges	(24450)	(8258)
	-----	-----
Profit on Ordinary Activities before taxation	134530	165382
Tax on Profit on Ordinary Activities {Note 3}	(26109)	(34657)
	-----	-----
Profit for the financial year after taxation	108421	130725
Dividends	(84000)	(60000)
	-----	-----
	24421	70725
Retained Profit brought forward	216296	145571
	-----	-----
RETAINED PROFIT CARRIED FORWARD	240717	216296
	=====	=====

## C.M. SUPPLIES LIMITED

BALANCE SHEET AT 30TH NOVEMBER, 1999.

			1998
	£	£	£
FIXED ASSETS			
Tangible Assets {Note 4}		643866	459228 =====
CURRENT ASSETS			
Stocks	110000		78029
Debtors {Note 5}	126708		151403
Cash at bank and in hand	15640		7479
	-----		-----
	252348		236911
CREDITORS			
Amounts falling due within one year {Note 6}	354749		265970 -----
	-----		-----
NET CURRENT LIABILITIES		(102401)	(29059)
		-----	-----
TOTAL ASSETS less CURRENT LIABILITIES		541465	430169
CREDITORS			
Amounts falling due after more than one year {Note 7}		(264185)	(185337)
PROVISION FOR LIABILITIES AND CHARGES {Note 9}		(18027)	(10000)
		-----	-----
		259253	234832
		=====	=====
CAPITAL AND RESERVES			
Called Up Share Capital {Note 10}		200	200
Share Premium {Note 11}		18336	18336
Profit and Loss Account		240717	216296
		-----	-----
SHAREHOLDERS' FUNDS		259253	234832
		=====	=====

These financial statements have been 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}.

ON BEHALF OF THE BOARD



M. A. MILWARD, ESQ. - DIRECTOR.

APPROVED BY THE BOARD ON : 22ND MARCH, 2000.

NOTES TO THE ACCOUNTS FOR THE YEAR  
ENDED 30TH NOVEMBER, 1999.

1998

## 1. ACCOUNTING POLICIES

## ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities {effective March 1999}.

## TURNOVER

Turnover represents net invoiced sales of goods, excluding value added tax.

## TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold Property	-	2% on cost
Plant and Machinery	-	20% on reducing balance.
Fixtures and Fittings	-	20% on reducing balance.
Motor Vehicles	-	25% on reducing balance.
Computer Equipment	-	25% on cost.

## STOCKS

Stock 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.

## DEFERRED TAXATION

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

## HIRE PURCHASE AND LEASING COMMITMENTS

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

## PENSIONS

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

## NOTES TO THE ACCOUNTS - continued

## 2. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

		1998
Depreciation - owned assets	42292	31509
Depreciation - assets on hire purchase or finance leases	25160	4321
Loss/(Profit) on disposal of fixed assets	1999	(4220)
Auditors remuneration	2200	2100
Pension costs	1208	1256
	=====	=====
Directors' emoluments and other benefits, etc.	82300	71023
	=====	=====

## 3. TAXATION

Included in the tax charge on the profit on ordinary activities for the year was an amount of £8027 {1998 - £2862} in respect of deferred taxation.

## 4. TANGIBLE FIXED ASSETS

	FREEHOLD PROPERTY	PLANT AND MACHINERY	FIXTURES AND FITTINGS	MOTOR VEHICLES	COMPUTER EQUIPMENT	1999 TOTAL
COST						
At 1st December 1998	308319	165263	13484	12545	19518	519129
Additions	-	221461	10562	19294	2772	254089
Disposals	-	-	-	(3200)	-	(3200)
AT 30TH NOVEMBER 1999	308319	386724	24046	28639	22290	770018
DEPRECIATION						
At 1st December 1998	1968	48045	938	2973	5977	59901
Charge for year	6166	46865	4622	4441	5358	67452
Eliminated on disposals	-	-	-	(1201)	-	(1201)
AT 30TH NOVEMBER 1999	8134	94910	5560	6213	11335	126152
NET BOOK VALUE :						
AT 30TH NOVEMBER 1999	300185	291814	18486	22426	10955	643866
	=====	=====	=====	=====	=====	=====
AT 30TH NOVEMBER 1998	306351	117217	12547	9572	13541	459228
	=====	=====	=====	=====	=====	=====

## C.M. SUPPLIES LIMITED

## NOTES TO THE ACCOUNTS - continued.

## 4. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows :

COST	PLANT & MACHINERY	
At 1st December 1998	25750	
Additions	203352	
	-----	
AT 30TH NOVEMBER 1999	229102	
	-----	
DEPRECIATION		
At 1st December 1998	8464	
Charge for year	25160	
	-----	
AT 30TH NOVEMBER 1999	33624	
	-----	
NET BOOK VALUE : AT 30TH NOVEMBER 1999	195478	
	=====	
AT 30TH NOVEMBER 1998	17286	
	=====	

## 5. DEBTORS

Amounts falling due within one year :

Trade debtors	159461	176208
Provision for bad debts	(33033)	(38387)
Prepayments and accrued income	280	13582
	-----	-----
	126708	151403
	=====	=====

## 6. CREDITORS

Amounts falling due within one year :

Bank loans and overdrafts	15693	22600
Trade creditors	169922	145284
Directors current accounts	41781	28304
Hire purchase	61426	6008
VAT	26887	17121
Social Security and other taxes	9542	9443
Taxation	19615	24295
Accrued expenses	9883	12915
	-----	-----
	354749	265970
	=====	=====

## 7. CREDITORS

Amounts falling due after more than one year :

Bank loans	169936	183334
Hire purchase	94249	2003
	-----	-----
	264185	185337
	=====	=====



## NOTES TO THE ACCOUNTS - continued.

## 8. SECURED DEBTS

The bank has an unscheduled mortgage debenture dated 25th November 1997, incorporating a fixed and floating charge over all current and future assets of the company.

## 9. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation	18027	10000
	=====	=====
	DEFERRED TAXATION	OTHER PROVISIONS
Balance at 1st December 1998	10000	7138
Accelerated capital allowances	8027	2862
	-----	-----
Balance at 30th November 1999	18027	10000
	=====	=====

## 10. CALLED UP SHARE CAPITAL

## AUTHORISED

10,000 Ordinary £1 shares	10000	10000
	=====	=====

## ALLOTTED, ISSUED AND FULLY PAID

200 Ordinary £1 shares	200	100
	===	===

## 11. SHARE PREMIUM

Brought forward	18336	18336
	=====	=====

## 12. PENSION COMMITMENTS

The pension cost charge represents a defined contribution scheme payable and amounted to £1208 {1998 £1256}.

## 13. DISCLOSURE OF CONTROL

The company was under equal control of Mr. M.A. Milward and Mr. C.J. Milward and members of their close family, throughout the current and previous year, both of whom hold 50% of the issued share capital. The above mentioned directors are brothers.