

# REGISTRAR OF COMPANIES

**'Nearbuys' Convenience Stores Limited**

**Director's Report and Financial Statements**

**for the year ended 30 April 2000**

**Registration Number 3352798**  
**England and Wales**



LDS  
COMPANIES HOUSE

\*LLTT8YJH\*

0280  
28/02/01

743 10 844

## **'Nearbuys' Convenience Stores Limited**

### **Company Information**

Director	David John Patient
Secretary	Sherran Patient
Registered Number	3352798 England and Wales
Registered Office	1 The Shrubberies George Lane London E18 1BD
Auditors	Ismail Spyrou Chartered Accountants and Registered Auditors 820a Green Lanes London N21 2RT
Business Address	20/22 Dovervelt Road Canvey Island Essex SS8 8DY
Bankers	HSBC Bank plc 74 High Street Barkingside Essex IG6 2DN

# **'Nearbuys' Convenience Stores Limited**

## **Contents**

	<b>Page</b>
Director's Report	<b>1</b>
Auditors' Report	<b>2</b>
Profit and Loss Account	<b>3</b>
Balance Sheet	<b>4</b>
Notes to the Financial Statements	<b>5 - 10</b>

# **'Nearbuys' Convenience Stores Limited**

## **Director's Report for the year ended 30 April 2000**

The director presents his annual report with the audited financial statements of the company for the year ended 30 April 2000.

### **Principal Activity**

The principal activity of the company continues to be that of a retail convenience store.

### **Director and his Interest**

The director in office in the year, and his beneficial interest in the company's issued share capital at the beginning and end of the year, was as follows:

**Ordinary shares  
of £1 each**

David John Patient

10,000

### **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 the affairs of the company and of the profit or loss of the company for that year. In preparing these the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements based 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 him 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

### **Auditors**

Ismail Spyrou were appointed auditors to the company in accordance with Section 385 of the Companies Act 1985. A resolution proposing their reappointment will be put to the Annual General Meeting.

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

This report was approved by the Board on 26 February 2001 and signed on its behalf by



**Sherran Patient**  
Secretary

**'Nearbuys' Convenience Stores Limited**

**Auditors' Report to the Shareholders of 'Nearbuys' Convenience Stores Limited**

We have audited the financial statements on pages 3 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

**Respective responsibilities of director and auditors**

As described on page 1 the company's director is 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 director 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 30 April 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



**Ismail Spyrou**

**Chartered Accountants and  
Registered Auditors**

**820a Green Lanes  
London N21 2RT**

**27 February 2001**

**'Nearbuys' Convenience Stores Limited**

**Profit and Loss Account  
for the year ended 30 April 2000**

		<b>Continuing operations</b>	
		<b>2000</b>	<b>1999</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	912,338	710,669
Cost of sales		(721,373)	(578,879)
<b>Gross profit</b>		<u>190,965</u>	<u>131,790</u>
Administrative expenses		(182,306)	(137,033)
Other operating income		16,006	15,347
<b>Operating profit</b>	<b>3</b>	<u>24,665</u>	<u>10,104</u>
Interest payable	<b>4</b>	(7,948)	(8,699)
<b>Profit on ordinary activities before taxation</b>		16,717	1,405
Taxation	<b>5</b>	(5,409)	(2,759)
<b>Profit/(Loss) on ordinary activities after taxation</b>		11,308	(1,354)
Dividends paid		(5,000)	-
<b>Retained profit/(loss) for the financial year</b>		<u>6,308</u>	<u>(1,354)</u>
Accumulated (loss) brought forward		(8,487)	(7,133)
<b>Accumulated (loss) carried forward</b>		<u>(2,179)</u>	<u>(8,487)</u>

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

The notes on pages 5 to 10 form an integral part of these financial statements.

**'Nearbuys' Convenience Stores Limited**

**Balance Sheet  
as at 30 April 2000**

	Notes	2000		1999	
		£	£	£	£
<b>Fixed Assets</b>					
Intangible assets	6		31,096		38,743
Tangible assets	7		80,077		94,337
			<u>111,173</u>		<u>133,080</u>
<b>Current Assets</b>					
Stocks		31,139		31,425	
Debtors	8	34,178		33,628	
Cash at bank and in hand		603		450	
		<u>65,920</u>		<u>65,503</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(105,341)</u>		<u>(117,226)</u>	
<b>Net Current Liabilities</b>			<u>(39,421)</u>		<u>(51,723)</u>
<b>Total Assets Less Current Liabilities</b>			71,752		81,357
<b>Creditors: amounts falling due after more than one year</b>	10		(58,928)		(74,887)
<b>Provision for Liabilities and Charges</b>	11		<u>(5,003)</u>		<u>(4,957)</u>
<b>Net Assets</b>			<u><u>7,821</u></u>		<u><u>1,513</u></u>
<b>Capital and Reserves</b>					
Called up share capital	12		10,000		10,000
Profit and loss account			<u>(2,179)</u>		<u>(8,487)</u>
<b>Equity Shareholders' Funds</b>			<u><u>7,821</u></u>		<u><u>1,513</u></u>

The 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.

The financial statements were approved by the Board on 26 February 2001 and signed on its behalf by



**David John Patient**  
**Director**

The notes on pages 5 to 10 form an integral part of these financial statements



## **'Nearbuys' Convenience Stores Limited**

### **Notes to the Financial Statements for the year ended 30 April 2000**

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

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention, and include the results of the company's operations which are described in the Director's Report, all of which are continuing

The financial statements do not include a cash flow statement because the company, as a small reporting entity is exempt from the requirement to produce such a statement under Financial Reporting Standard 1.

##### **1.2. Turnover**

Turnover represents the value of goods supplied, excluding value added tax.

##### **1.3. Goodwill**

Acquired goodwill is written off in equal annual instalments over the remaining life of the property lease which is its estimated useful economic life.

##### **1.4. Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Short leasehold property	-	Straight line over the life of the property lease
Fixtures, fittings and equipment	-	Straight line over the life of the property lease
Leased equipment	-	Straight line over the life of the property lease

##### **1.5. Leasing**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit as incurred.

##### **1.6. Stock**

Stock is valued at the lower of cost and net realisable value, after making due allowance for damaged and slow-moving items.

##### **1.7. Deferred taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to materialise.

#### **2. Turnover**

The total turnover of the company for the year has been derived from its principal activity undertaken wholly in the United Kingdom.

**'Nearbuys' Convenience Stores Limited**

**Notes to the Financial Statements  
for the year ended 30 April 2000**

<b>3. Operating profit</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Amortisation of intangible fixed assets	7,648	7,648
Depreciation of tangible fixed assets	20,190	18,470
Operating lease rentals		
- hire of equipment	150	415
- land and buildings	12,000	9,709
Auditors' remuneration	500	1,450
	<u>          </u>	<u>          </u>
 <b>4. Interest payable</b>	 <b>2000</b>	 <b>1999</b>
	<b>£</b>	<b>£</b>
Bank loans and overdraft	7,262	8,326
Lease finance charges	686	373
	<u>          </u>	<u>          </u>
	7,948	8,699
	<u>          </u>	<u>          </u>
 <b>5. Taxation</b>	 <b>2000</b>	 <b>1999</b>
	<b>£</b>	<b>£</b>
<b>United Kingdom current year taxation</b>		
Corporation Tax at 19.87% (1999 - 20.92%)	6,074	784
Transfer to deferred taxation	46	1,975
	<u>          </u>	<u>          </u>
	6,120	2,759
 <b>Prior years</b>		
Corporation Tax	(711)	-
	<u>          </u>	<u>          </u>
	5,409	2,759
	<u>          </u>	<u>          </u>

**'Nearbuys' Convenience Stores Limited**

**Notes to the Financial Statements  
for the year ended 30 April 2000**

**6. Intangible fixed assets**

	<b>Goodwill</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 May 1999 and at 30 April 2000	<u>52,258</u>	<u>52,258</u>
<b>Provision for diminution in value</b>		
At 1 May 1999	13,515	13,515
Charge for year	<u>7,648</u>	<u>7,648</u>
At 30 April 2000	<u>21,162</u>	<u>21,162</u>
<b>Net book values</b>		
At 30 April 2000	<u>31,096</u>	<u>31,096</u>
At 30 April 1999	<u>38,743</u>	<u>38,743</u>

**7. Tangible fixed assets**

	<b>Short leasehold property</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Leased equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 May 1999	27,500	84,004	8,500	120,004
Additions	<u>-</u>	<u>5,930</u>	<u>-</u>	<u>5,930</u>
At 30 April 2000	<u>27,500</u>	<u>89,934</u>	<u>8,500</u>	<u>125,934</u>
<b>Depreciation</b>				
At 1 May 1999	7,111	17,593	963	25,667
Charge for year	<u>4,024</u>	<u>14,709</u>	<u>1,457</u>	<u>20,190</u>
At 30 April 2000	<u>11,135</u>	<u>32,302</u>	<u>2,420</u>	<u>45,857</u>
<b>Net book values</b>				
At 30 April 2000	<u>16,365</u>	<u>57,632</u>	<u>6,080</u>	<u>80,077</u>
At 30 April 1999	<u>20,389</u>	<u>66,411</u>	<u>7,537</u>	<u>94,337</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	<b>2000</b>		<b>1999</b>	
<b>Asset description</b>	<b>Net book value</b>	<b>Depreciation charge</b>	<b>Net book value</b>	<b>Depreciation charge</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Leased equipment	<u>6,080</u>	<u>1,457</u>	<u>7,537</u>	<u>963</u>

**'Nearbuys' Convenience Stores Limited**

**Notes to the Financial Statements  
for the year ended 30 April 2000**

**8. Debtors**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,334	893
Other debtors	28,000	30,177
Prepayments	4,844	2,558
	<u>34,178</u>	<u>33,628</u>

Included in other debtors is £28,000 relating to a Post Office introductory fee.

**9. Creditors: amounts falling due  
within one year**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Bank overdraft	7,244	40,823
Bank loans	11,699	11,698
Net obligations under finance leases and hire purchase contracts	2,510	2,510
Trade creditors	55,381	54,710
Corporation tax	6,074	784
Social security and other taxes	6,759	2,613
Accruals	15,674	4,088
	<u>105,341</u>	<u>117,226</u>

**'Nearbuys' Convenience Stores Limited**

**Notes to the Financial Statements  
for the year ended 30 April 2000**

<b>10. Creditors: amounts falling due after more than one year</b>	<b>2000 £</b>	<b>1999 £</b>
Bank loans	58,301	71,750
Net obligations under finance leases and hire purchase contracts	627	3,137
	<u>58,928</u>	<u>74,887</u>

Bank loans outstanding at the balance sheet date are payable in annual installments, plus interest, as follows:

Repayable in one year or less, or on demand (Note 9)	11,699	11,698
Repayable between one and two years	11,699	11,699
Repayable between two and five years	35,096	35,096
Repayable in five years or more	11,505	24,955
	<u>69,999</u>	<u>83,448</u>

Of the creditors falling due within one year and after more than one year £77,243 (1999 - £124,271) was secured by fixed and floating charges over the company's assets and a mortgage over the short leasehold property.

On the 16 June 2000 the existing bank loans were repaid and replaced with a larger bank loan which also provided funds to undertake an expansion of the company's business premises which commenced shortly after the balance sheet date.

**11. Provisions for liabilities and charges**

**Deferred Taxation**

Deferred tax is analysed over the following timing differences:

	<b>Provided</b>	
	<b>2000 £</b>	<b>1999 £</b>
Accelerated capital allowances	<u>5,003</u>	<u>4,957</u>

Movements on the provision for deferred taxation are:

	<b>2000 £</b>	<b>1999 £</b>
Provision brought forward	4,957	2,982
Charge for year	46	1,975
Provision carried forward	<u>5,003</u>	<u>4,957</u>

Provision has been made for the full potential deferred taxation liability.

**'Nearbuys' Convenience Stores Limited**

**Notes to the Financial Statements  
for the year ended 30 April 2000**

<b>12. Share capital</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
<b>Authorised equity</b>		
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>
<b>Allotted, called up and fully paid equity</b>		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

**13. Financial commitments**

At the Balance Sheet date the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Less than five years	<u>12,000</u>	<u>9,500</u>

**14. Capital commitments**

Details of capital commitments at the balance sheet date are as follows:

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Contracted for but not provided in the financial statements.	<u>54,800</u>	<u>-</u>

The company undertook a further bank loan to meet these commitments after the balance sheet date.

**15. Ultimate controlling party**

In the opinion of the director, David John Patient who controls 100% of the shares of the company, is the company's ultimate controlling party.

**16. Going concern**

The director has prepared these financial statements on the basis the the company's creditors will not withdraw their facilities in the foreseeable future.