

934139

STATUTORY COPY

S Black (Import & Export) Limited
Directors' Report and Financial Statements
for the year ended 30 June 1995



S Black (Import & Export) Limited

Company Information

Directors	S Black Mrs Z Black A G F Difford D G Saunter A G Raybould N L Berry C Davies
Secretary	C Davies
Company Number	934139
Registered Office	The Colonnade High Street Cheshunt Hertfordshire EN8 0DJ
Auditors	Whiteleys 3 Manchester Square London W1M 5RF
Business Address	The Colonnade High Street Cheshunt Hertfordshire EN8 0DJ
Bankers	Barclays Bank Plc 54 Lombard Street London EC3V 9EX
Solicitors	A Oldschool & Co. 116/118 Islington High Street Camden Passage London N1 8EG

S Black (Import & Export) Limited

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S Black (Import & Export) Limited

Directors' Report for the year ended 30 June 1995

The directors present their report and the financial statements for the year ended 30 June 1995.

Principal Activities and Review of the Business

The principal activity of the company continued unchanged as that of importer and exporter of specialised chemicals and pigments.

The company has been expanding its core business by growth. The business has responded well to the general recovery of the economy and this has resulted in increased turnover and level of profitability. The directors are confident that the trend will continue in the current financial period.

Results and Dividends

The results for the year are set out on page 4.

The directors have paid an interim dividend, amounting to £263,900, and they do not recommend payment of a final dividend.

It is proposed that the retained profit of £974,270 is transferred to reserves.

Fixed Assets

The significant changes in fixed assets during the year are explained in notes 12 and 13 to the financial statements.

Market Value of Land and Buildings

In the director's opinion, the market value of land and buildings does not differ significantly from that stated in the financial statements.

Post Balance Sheet Events

The company entered an agreement to acquire freehold land for a consideration of £1.05 million. Details of the transactions are set out in note 24 to the financial statements.

Directors and their Interests

The directors who served during the year and their interests in the company were as stated below.

		Number of shares	
		1995	1994
	Class of share		
S Black	Ordinary shares	33,000	33,000
Mrs Z Black	Ordinary shares	32,000	32,000
A G F Difford	Ordinary shares	5,000	5,000
D G Saunter	Ordinary shares	1,000	1,000
	Ordinary shares option	3,000	3,000
A G Raybould	Ordinary shares	-	-
	Ordinary shares option	4,000	4,000
N L Berry	Ordinary shares	500	500
	Ordinary shares option	3,500	3,500

C Davies was appointed a director on 1 August 1995.

S Black (Import & Export) Limited

Directors' Report for the year ended 30 June 1995 (continued)

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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Whiteleys be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 13 October 1995.



C Davies
Secretary

S Black (Import & Export) Limited

**Auditors' Report
to the shareholders of S Black (Import & Export) Limited**

We have audited the financial statements on pages 4 to 17 which have been prepared under the historical cost convention and the accounting policies set out on page 8 and 9.

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 30 June 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Whiteleys

Chartered Accountants
and Registered Auditors

13 October 1995

3 Manchester Square
London
W1M 5RF

S Black (Import & Export) Limited

**Profit and Loss Account
for the year ended 30 June 1995**

	Notes	1995 £	1994 £
Turnover	2	15,489,373	13,307,672
Cost of sales		(12,296,383)	(10,414,312)
Gross profit		3,192,990	2,893,360
Distribution costs		(139,318)	(121,050)
Administrative expenses		(1,263,155)	(1,147,586)
Exceptional item	3	(30,780)	-
Operating profit	4	1,759,737	1,624,724
Loss on disposal of fixed assets		(8,882)	(10,654)
Profit on ordinary activities before interest		1,750,855	1,614,070
Other interest receivable and similar income	7	140,483	90,641
Amount written off investments	8	(4,337)	-
Interest payable and similar charges	9	(4,262)	(1,963)
Profit on ordinary activities before taxation		1,882,739	1,702,748
Tax on profit on ordinary activities	10	(644,569)	(565,632)
Profit on ordinary activities after taxation		1,238,170	1,137,116
Dividends	11	(263,900)	(263,900)
Retained profit for the year	20	974,270	873,216

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

The notes on pages 8 to 17 form part of these financial statements.

S Black (Import & Export) Limited

Balance Sheet as at 30 June 1995

	Notes	1995 £	1994 £
Fixed Assets			
Tangible assets	12	1,263,069	1,276,183
Investments	13	2,673	7,010
		<u>1,265,742</u>	<u>1,283,193</u>
Current Assets			
Stocks	14	2,333,009	2,179,505
Debtors	15	2,498,746	2,458,767
Cash at bank and in hand		3,668,918	2,342,110
		<u>8,500,673</u>	<u>6,980,382</u>
Creditors: amounts falling due within one year	16	<u>(3,351,328)</u>	<u>(2,817,120)</u>
Net Current Assets		<u>5,149,345</u>	<u>4,163,262</u>
Total Assets Less Current Liabilities		<u>6,415,087</u>	<u>5,446,455</u>
Provision for Liabilities and Charges	17	<u>(74,210)</u>	<u>(79,848)</u>
		<u><u>6,340,877</u></u>	<u><u>5,366,607</u></u>
Capital and Reserves			
Called up share capital	18	101,500	101,500
Share premium account	19	25,500	25,500
Profit and loss account	20	6,213,877	5,239,607
Shareholders' Funds (equity interests)		<u><u>6,340,877</u></u>	<u><u>5,366,607</u></u>

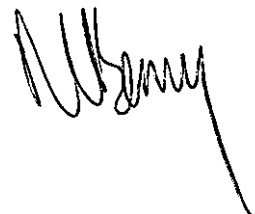
The financial statements were approved by the Board on 13 October 1995.

The notes on pages 8 to 17 form part of these financial statements.

A G F Difford
Director



N L Berry
Director



S Black (Import & Export) Limited

**Cash Flow Statement
for the year ended 30 June 1995**

	Notes	1995 £	1994 £
Net cash inflow from operating activities	1	2,123,022	1,975,301
Returns on investments and servicing of finance			
Interest received		140,483	90,641
Interest paid		(4,262)	(1,963)
Dividends paid		<u>(263,900)</u>	<u>(263,900)</u>
Net cash outflow from returns on investments and servicing of finance		(127,679)	(175,222)
Taxation			
Corporation tax paid (including advance corporation tax)		<u>(571,058)</u>	<u>(444,595)</u>
Tax paid		(571,058)	(444,178)
Investing activities			
Payments to acquire tangible assets		(116,636)	(88,229)
Receipts from sales of tangible assets		<u>4,300</u>	<u>9,100</u>
Net cash outflow from investing activities		(112,336)	(79,129)
Net cash inflow before financing		<u>1,311,949</u>	<u>1,276,772</u>
Financing			
Issue of ordinary share capital	4	<u>-</u>	<u>10,000</u>
Net cash outflow from financing		-	10,000
Increase in cash and cash equivalents 2,3		<u>1,311,949</u>	<u>1,286,772</u>

The notes on page 7 forms part of these financial statements.

S Black (Import & Export) Limited

Notes to the Cash Flow Statement for the year ended 30 June 1995

1	Reconciliation of operating profit to net cash inflow from operating activities	1995 £	1994 £	
	Operating profit	1,759,737	1,624,724	
	Depreciation of tangible assets	116,568	105,593	
	Increase in stocks	(153,504)	(66,483)	
	Increase in debtors	(39,979)	(86,937)	
	Increase in creditors due within one year	440,200	398,404	
	Net cash inflow from operating activities	2,123,022	1,975,301	
2	Analysis of changes in cash and cash equivalents during the year	1995 £	1994 £	
	Balance at 1 July 1994	2,342,110	1,055,338	
	Net cash inflow	1,311,949	1,286,772	
	Balance at 30 June 1995	3,654,059	2,342,110	
3	Analysis of the balances of cash and cash equivalents as shown in the balance sheet	1995 £	1994 £	Change in year £
	Cash at bank and in hand	3,668,918	2,342,110	1,326,808
	Bank overdrafts	(14,859)	-	(14,859)
		3,654,059	2,342,110	1,311,949
4	Analysis of changes in financing during the year	Share capital 1995 £	Share capital 1994 £	
	Balance at 1 July 1994	127,000	117,000	
	Cash inflow from financing	-	10,000	
	Balance at 30 June 1995	127,000	127,000	

The notes on page 8 to 17 form part of these financial statements.

S Black (Import & Export) Limited

**Notes to the Financial Statements
for the year ended 30 June 1995**

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 as indicated in the directors' report, all of which are continuing.

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods sold and services rendered net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Straight line over one hundred years
Computer equipment	-	25% Straight line
Fixtures, fittings and equipment	-	20% Reducing balance
Motor vehicles	-	25% Reducing balance

1.5 Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Stock

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

S Black (Import & Export) Limited

**Notes to the Financial Statements
for the year ended 30 June 1995**

1.8 Pensions

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the profit and loss account and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

1.9 Deferred taxation

Provision is made for deferred taxation using the full provision method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes.

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2. Turnover

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

	Turnover	
	1995 £	1994 £
Geographical market:		
United Kingdom	13,288,209	10,657,149
Non-UK	2,201,164	2,610,445
	<u>15,489,373</u>	<u>13,307,672</u>

3. Exceptional Item

During the year, the company incurred £30,780 legal and professional fees on an abortive land acquisition.

S Black (Import & Export) Limited

**Notes to the Financial Statements
for the year ended 30 June 1995**

4. Operating Profit	1995	1994
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	116,568	105,593
Hire of plant and machinery	-	2,725
Operating lease rentals		
- Plant and machinery	6,041	-
- Land and buildings	38,399	19,750
Auditors' remuneration	12,500	12,400
	<u>116,568</u>	<u>127,768</u>

5. Employees

Number of employees

The average weekly number of employees (including directors) during the year was:

	1995	1994
	Number	Number
Management and administration	21	20
Production	6	5
Selling	4	4
	<u>31</u>	<u>29</u>

Employment costs

	£	£
Wages and salaries	868,282	765,359
Social security costs	86,045	77,298
Other pension costs	43,875	43,107
	<u>998,202</u>	<u>885,764</u>

S Black (Import & Export) Limited

**Notes to the Financial Statements
for the year ended 30 June 1995**

6. Directors' Emoluments	1995	1994
	£	£
Remuneration	<u>486,517</u>	<u>457,338</u>
Emoluments disclosed above (excluding pension contributions) include amounts paid to:		
The chairman	<u>£ 84,349</u>	<u>£ 88,444</u>
The highest-paid director	<u>£ 103,351</u>	<u>£ 95,163</u>
Other directors' emoluments (excluding pension contributions) were in the following ranges:		
	Number	Number
£15,001 - £20,000	1	1
£60,001 - £65,000	-	1
£70,001 - £75,000	1	1
£75,001 - £80,000	-	-
£80,001 - £85,000	1	1
£85,001 - £90,000	-	-
£90,001 - £95,001	<u>1</u>	<u>-</u>
7. Other Interest Receivable and Similar Income	1995	1994
	£	£
Bank interest received	<u>140,483</u>	<u>90,641</u>
8. Amounts Written off Investments	1995	1994
	£	£
Amounts written off fixed asset investments:		
- permanent diminution in value	<u>4,337</u>	<u>-</u>

S Black (Import & Export) Limited

**Notes to the Financial Statements
for the year ended 30 June 1995**

9. Interest Payable	1995	1994
	£	£
On bank loans and overdrafts	4,262	1,963
	<u>£ 4,262</u>	<u>£ 1,963</u>
 10. Taxation	 1995	 1994
	£	£
U.K. Current year taxation		
U.K. Corporation tax at 33% (1994 - 33%)	650,075	570,926
Transfer from deferred taxation	(5,638)	(5,711)
	<u>644,437</u>	<u>565,215</u>
Prior years		
U.K. Corporation tax	132	417
	<u>644,569</u>	<u>565,632</u>
 11. Dividends	 1995	 1994
	£	£
Ordinary interim paid 3 April 1995	<u>263,900</u>	<u>263,900</u>

S Black (Import & Export) Limited

**Notes to the Financial Statements
for the year ended 30 June 1995**

12. Tangible Assets

	Land and buildings Freehold	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 July 1994	1,079,065	264,414	229,269	219,158	1,791,906
Additions	-	27,926	26,874	69,086	123,886
Disposals	-	(62,892)	(16,542)	(36,141)	(115,575)
At 30 June 1995	<u>1,079,065</u>	<u>229,448</u>	<u>239,601</u>	<u>252,103</u>	<u>1,800,217</u>
Depreciation					
At 1 July 1994	63,944	184,264	158,002	109,512	515,722
On disposals	-	(62,892)	(11,356)	(20,894)	(95,142)
Charge for year	8,166	48,940	18,591	40,871	116,568
At 30 June 1995	<u>72,110</u>	<u>170,312</u>	<u>165,237</u>	<u>129,489</u>	<u>537,148</u>
Net book values					
At 30 June 1995	<u>1,006,955</u>	<u>59,136</u>	<u>74,364</u>	<u>122,614</u>	<u>1,263,069</u>
At 30 June 1994	<u>1,015,122</u>	<u>80,149</u>	<u>71,267</u>	<u>109,645</u>	<u>1,276,183</u>

13. Fixed Asset Investments

	1995 £	1994 £
Listed Investments (American Exchange)	<u>2,673</u>	<u>7,010</u>
Other Investments		
		Shares £
Cost		
At 1 July 1994		<u>7,010</u>
Provisions for diminution in value		
Revaluations		<u>4,337</u>
Net Book Values		
At 30 June 1995		£ <u>2,673</u>
At 30 June 1994		£ <u>7,010</u>

S Black (Import & Export) Limited

**Notes to the Financial Statements
for the year ended 30 June 1995**

14. Stocks	1995	1994
	£	£
Finished goods and goods for resale	<u>2,333,009</u>	<u>2,179,505</u>
15. Debtors	1995	1994
	£	£
Trade debtors	2,467,044	2,413,361
Other debtors	8,550	30,554
Prepayments and accrued income	<u>23,152</u>	<u>14,852</u>
	<u>2,498,746</u>	<u>2,458,767</u>
16. Creditors: amounts falling due within one year	1995	1994
	£	£
Bank loans and overdrafts	14,859	-
Trade creditors	2,183,422	1,871,558
Corporation tax	650,075	570,926
Other taxes and social security costs	223,090	159,138
Accruals and deferred income	<u>279,882</u>	<u>215,498</u>
	<u>3,351,328</u>	<u>2,817,120</u>

S Black (Import & Export) Limited

**Notes to the Financial Statements
for the year ended 30 June 1995**

17. Provisions for Liabilities and Charges

Deferred tax is provided at 33% (1994 - 33%) analysed over the following timing differences:

	Fully Provided	
	1995	1994
	£	£
Accelerated capital allowances	74,210	79,848
	<u>£ 74,210</u>	<u>£ 79,848</u>

Movements on the provision for deferred taxation are:

	£
At 1 July 1994	79,848
Transferred to profit and loss account	5,638
	<u>£ 74,210</u>
At 30 June 1995	<u>£ 74,210</u>

18. Share Capital

	1995	1994
	£	£
Authorised		
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>
Allotted, called up and fully paid		
101,500 Ordinary shares of £1 each	<u>101,500</u>	<u>101,500</u>

Options outstanding under the Executive Share Option Scheme as at 30 June 1995 together with their exercise price are as follows:

Price per share	Normal dates of exercise	Number of shares	
		1995	1994
£17	1991-1998	1,000	1,000
£20	1993-2000	7,500	7,500
£38	1995-2002	5,000	5,000
		<u>13,500</u>	<u>13,500</u>

S Black (Import & Export) Limited

**Notes to the Financial Statements
for the year ended 30 June 1995**

19. Share Premium Account	1995	1994
	£	£
Balance brought forward at 1 July 1994	25,500	16,000
Premium on shares issued during the year	-	9,500
	<u>25,500</u>	<u>25,500</u>
Balance carried forward at 30 June 1995	<u>25,500</u>	<u>25,500</u>
 20. Profit And Loss Account	 1995	 1994
	£	£
Retained profits at 1 July 1994	5,239,607	4,366,391
Retained profit for the year	974,270	873,216
	<u>6,213,877</u>	<u>5,239,607</u>
Retained profits at 30 June 1995	<u>6,213,877</u>	<u>5,239,607</u>
 21. Reconciliation of Movements in Shareholders' Funds	 1995	 1994
	£	£
Profit for the financial year	1,238,170	1,137,116
Dividends	(263,900)	(263,900)
	<u>974,270</u>	<u>873,216</u>
Proceeds of issue of shares	-	10,000
	<u>974,270</u>	<u>883,216</u>
Net addition to shareholders' funds	974,270	883,216
Opening shareholders' funds	5,366,607	4,483,391
	<u>6,340,877</u>	<u>5,366,607</u>
Closing shareholders' funds	<u>6,340,877</u>	<u>5,366,607</u>

S Black (Import & Export) Limited

**Notes to the Financial Statements
for the year ended 30 June 1995**

22. Financial Commitments

At 30 June 1995 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	1995	1994	1995	1994
	£	£	£	£
Expiry date:				
Within one year	19,500	-	-	-
Between two and five years	19,500	19,500	6,032	-
	<u>£ 39,000</u>	<u>£ 19,500</u>	<u>£ 6,032</u>	<u>£ -</u>

Forward Contract

The company enters into forward foreign exchange to hedge foreign currency transactions. At 30 June 1995, the company had contracted to exchange the equivalent of £1.10 million of various international currencies, all of which were accounted for as hedges.

23. Capital Commitments

1995 1994
£ £

Details of capital commitments at the accounting date are as follows:

Contracted for	28,850	-
	<u>£ 28,850</u>	<u>£ -</u>

24. Post Balance Sheet Events

After the year end the company entered into an agreement to acquire freehold land for a consideration of £1.05 million, subject to planning permission. The land would be used to construct the company's new business premises. The consideration will be financed from the company's existing resources.