

Associated Independent Merchant Stockists Limited

Report and Accounts

31 March 2000



A03
COMPANIES HOUSE

ANWCORPZ

0246
17/05/00

Associated Independent Merchant Stockists Limited

Registered No. 01676633

DIRECTORS

M W L Randall
M J Wheat
R M Bolton
K Young

SECRETARY

R M Bolton

AUDITORS

Ernst & Young
Lowgate House
Lowgate
Hull HU1 1JJ

BANKERS

Barclays Bank PLC
Nottingham Business Centre
PO Box No 18
Old Market Square
Nottingham NG1 6FF

REGISTERED OFFICE

Lockwood Street
Hull
HU2 0HL

 ERNST & YOUNG

Associated Independent Merchant Stockists Limited

DIRECTORS' REPORT

The directors present their report together with the accounts for the year ended 31 March 2000.

RESULTS AND DIVIDENDS

The loss for the financial year after tax amounted to £696.

The directors do not recommend the payment of a dividend for the year.

REVIEW OF THE BUSINESS

The principle activity of the company is to act as a purchasing group on behalf of its member companies.

The collective members' turnover during the calendar year 1999 was in excess of £100m.

The directors and members representatives continued their regular dialogue with existing and potential suppliers in respect of composite buying prices, retrospective rebates and product promotional support.

Many activities continue to be routed through John Liddle, the company's co-ordinator.

General trading conditions remained difficult for the first three quarters of the year, but welcome improvements during the fourth quarter coincided with the beginning of a series of paper price increases fuelled by pulp cost rises and a tightening in supply of market woodpulp. The polarisation in both global manufacturing and UK distribution continued apace, highlighting even more keenly the significance AIMS will play in the longer term prosperity of its member companies, in terms of both competitive buying and ongoing access to products.

DIRECTORS AND THEIR INTERESTS

At the date of this report the directors in office are as disclosed on page 1, and served throughout the year.

In addition to the directors listed on page 1, T Bowler served as a director until 25 January 2000 when he resigned.

In accordance with the company's policy all the directors retire and being eligible, they offer themselves for re-election.

None of the directors has any interest in the share capital of the company.

YEAR 2000 COMPLIANCE

The implementation of the company's Year 2000 programme was completed successfully. No disruptions to the business operation occurred, nor is any expected to occur, as a result of the date change. The costs incurred in ensuring Year 2000 compliance were insignificant and subsumed into the normal running costs of the business.

DIRECTORS' REPORT

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

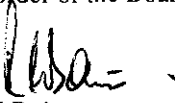
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 accounts 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

Ernst & Young have expressed their willingness to continue in office. A resolution to reappoint them will be proposed at the Annual General Meeting.

By order of the Board


R M Bolton
Secretary

31 May 2000

REPORT OF THE AUDITORS**to the members of Associated Independent Merchant Stockists Limited**

We have audited the accounts on pages 5 to 9, 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 the accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

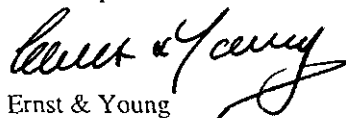
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 March 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Registered Auditor
Hull

31 May 2000

Associated Independent Merchant Stockists Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2000

	Notes	2000 £	1999 £
REBATES RECEIVED	2	-	17,814
REBATES PAID TO MEMBERS		-	(17,814)
GROSS PROFIT		-	-
Administrative expenses less contributions from members		(509)	(872)
OPERATING LOSS		(509)	(872)
Other interest receivable and similar income	3	206	604
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	4	(303)	(268)
Taxation (charge)/credit	5	(393)	150
LOSS FOR THE FINANCIAL YEAR	10	(696)	(118)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the financial year of £696 (1999 - loss of £118).

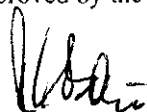
Associated Independent Merchant Stockists Limited

BALANCE SHEET

at 31 March 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible assets	6	984	1,259
CURRENT ASSETS			
Debtors	7	851	3,908
Cash at bank and in hand		15,957	9,798
		<u>16,808</u>	<u>13,706</u>
CREDITORS: amounts falling due within one year	8	20,303	16,380
		<u>(3,495)</u>	<u>(2,674)</u>
NET CURRENT LIABILITIES			
		<u>(2,511)</u>	<u>(1,415)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>(2,511)</u>	<u>(1,415)</u>
CAPITAL AND RESERVES			
Called up share capital	9	800	1,200
Profit and loss account - adverse balance	10	(3,311)	(2,615)
		<u>(2,511)</u>	<u>(1,415)</u>
EQUITY SHAREHOLDERS' DEFICIENCY	11		
		<u>(2,511)</u>	<u>(1,415)</u>

Approved by the board on 31 May 2000



R M Bolton - Director

Associated Independent Merchant Stockists Limited

NOTES TO THE ACCOUNTS

for the year ended 31 March 2000

1. ACCOUNTING POLICIES

Accounting convention

The accounts set out on pages 5 to 9 are prepared under the historical cost convention.

Depreciation

Tangible fixed assets are written off over their estimated useful lives on a straight line basis at the following annual rates:

Office equipment	10%
Computer	20%

2. TURNOVER

Turnover represents rebates received from the group's major suppliers which are repayable to member companies. All turnover arose from trading in the UK. Many rebates are paid directly to members.

3. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

Interest receivable and similar income represented interest receivable on bank deposits.

4. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Loss on ordinary activities before taxation is stated after charging the following:

	2000 £	1999 £
Depreciation (note 6)	275	114
Auditors' remuneration - audit fee	650	650
	<u> </u>	<u> </u>

5. TAXATION

	2000 £	1999 £
The tax (charge)/credit for the year represented		
Corporation tax (charge)/credit at 21% (1999 - 21%)	(393)	150
	<u> </u>	<u> </u>
	(393)	150
	<u> </u>	<u> </u>

Associated Independent Merchant Stockists Limited

NOTES TO THE ACCOUNTS for the year ended 31 March 2000

6. TANGIBLE FIXED ASSETS

	<i>Office equipment £</i>	<i>Computer £</i>	<i>Total £</i>
Cost:			
At 31 March 1999 and 31 March 2000	4,765	6,046	10,811
Depreciation:			
At 31 March 1999	4,765	4,787	9,552
Charge in year	-	275	275
At 31 March 2000	4,765	5,062	9,827
Net book value:			
At 31 March 2000	-	984	984
At 1 April 1999	-	1,259	1,259

7. DEBTORS

	<i>2000 £</i>	<i>1999 £</i>
Tax credit	-	150
Other debtors	851	2,288
Prepayments	-	1,470
	851	3,908

8. CREDITORS: amounts falling due within one year

	<i>2000 £</i>	<i>1999 £</i>
Trade creditors	17,500	14,500
Other taxation and social security	1,256	-
Accruals and deferred income	1,154	1,880
Corporation Tax	393	-
	20,303	16,380

Associated Independent Merchant Stockists Limited

NOTES TO THE ACCOUNTS for the year ended 31 March 2000

9. SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	<i>2000</i>	<i>1999</i>	<i>2000</i>	<i>1999</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Ordinary shares of £1 each	2,000	2,000	800	1,200

10. RESERVES

The movement of reserves during the year was as follows:

	<i>Profit and loss account £</i>
At 31 March 1999	(2,615)
Retained loss for the year	(696)
At 31 March 2000	(3,311)

11. EQUITY SHAREHOLDERS' DEFICIENCY

The reconciliation of movements in shareholders' funds was as follows:

	<i>2000 £</i>	<i>1999 £</i>
Balance at 31 March 1999	(1,415)	(1,297)
Loss for the financial year	(696)	(118)
Redemption of shares	(400)	-
Balance at 31 March 2000	(2,511)	(1,415)