

ACTON & ACTON LIMITED

REGISTERED NUMBER - 1929349

ENGLAND AND WALES

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 1998



WYATT, MORRIS, GOLLAND & CO.,

CHARTERED ACCOUNTANTS,

PARK HOUSE,

200 DRAKE STREET,

ROCHDALE,

LANCASHIRE,

OL16 1PJ.

REPORT OF THE DIRECTOR OF ACTON & ACTON LIMITED

The director presents his annual report together with the accounts of the company for the year ended 31 March 1998.

PRINCIPAL ACTIVITIES

The principal activities of the company throughout the year have continued to be those of manufacturers and wholesalers of bed linen.

RESULTS

The company made a profit for the year before taxation of £34,569 and the taxation charge amounted to £7,413.

The company paid a dividend during the year of £100 per share.

DIRECTOR AND HIS INTEREST

The director during the year and his beneficial interest in the share capital of the company was as follows:-

	<u>31 March 1998</u>	<u>1 April 1997</u>
D. Acton	99	99

DIRECTORS' RESPONSIBILITIES

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 year. 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; follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts; and prepare the accounts on a 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.

POLITICAL AND CHARITABLE CONTRIBUTIONS

Charitable contributions of £140 were made during the year (1997 - £85).

AUDITORS

Messrs. Wyatt, Morris, Golland & Co., Chartered Accountants, have intimated their willingness to continue in office as auditors to the company and will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

Signed on behalf of
the director

Sheila Acton
Sheila Acton
Secretary

Approved: 1 June 1998

Registered office:-

Heybrook Mill,
Hamer Lane,
ROCHDALE,
Lancashire.
OL16 2UL

AUDITORS' REPORT TO THE SHAREHOLDERS OF ACTON & ACTON LIMITED

We have audited the accounts on pages 3 to 7 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 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

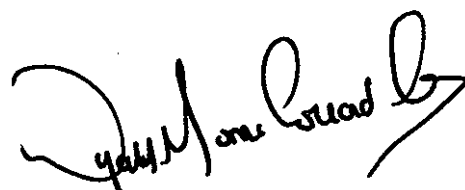
BASIS OF OPINION

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 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 the company's affairs as at 31 March 1998 and of its profit for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985.



WYATT, MORRIS, GOLLAND & CO.
CHARTERED ACCOUNTANTS AND
REGISTERED AUDITORS

1 June 1998

Park House,
200 Drake Street,
ROCHDALE,
Lancashire.
OL16 1PJ

ACTON & ACTON LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
		<u>£</u>	<u>£</u>
Turnover		575,572	611,502
Cost of sales		(400,611)	(468,384)
		<hr/>	<hr/>
Gross profit		174,961	143,118
Administrative expenses		(138,574)	(132,147)
		<hr/>	<hr/>
Operating profit	2	36,387	10,971
Interest receivable		1,749	776
Interest payable and similar charges		(3,567)	(3,171)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		34,569	8,576
Taxation	3	(7,413)	(2,458)
		<hr/>	<hr/>
Profit for the financial year after taxation		27,156	6,118
Dividends		(10,000)	(20,000)
		<hr/>	<hr/>
Retained profit/(loss) for the financial year		17,156	(13,882)
Retained profit at 1 April 1997		80,220	94,102
		<hr/>	<hr/>
Retained profit at 31 March 1998		97,376 =====	80,220 =====

ACTON & ACTON LIMITED
BALANCE SHEET AS AT 31 MARCH 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible assets	4	42,364	17,948
<u>CURRENT ASSETS</u>			
Stocks		46,259	52,392
Debtors	5	94,474	97,153
Cash at bank and in hand		64,397	48,862
		<hr/>	<hr/>
		205,130	198,407
<u>CREDITORS</u> - Amounts falling due within one year	6	(127,714)	(134,805)
		<hr/>	<hr/>
<u>NET CURRENT ASSETS</u>		77,416	63,602
		<hr/>	<hr/>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		119,780	81,550
<u>CREDITORS</u> - Amounts falling due after more than one year	7	(22,304)	(1,230)
		<hr/>	<hr/>
Net assets		97,476	80,320
		=====	=====
<u>CAPITAL AND RESERVES</u>			
Called up share capital	8	100	100
Profit and loss account		97,376	80,220
		<hr/>	<hr/>
<u>SHAREHOLDERS' FUNDS</u>		97,476	80,320
		=====	=====

The accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

Signed by the director

 D. Acton

Approved: 1 June 1998

ACTON & ACTON LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1998

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

Turnover

Turnover represents net invoiced sales of goods and services rendered, excluding V.A.T.

Tangible fixed assets

Depreciation and amortisation is provided at the following annual rates in order to write off each asset over its estimated useful life:-

Plant and equipment - 15% on net book value
Motor vehicles - 25% on net book value

Stocks

Stocks and work in progress are valued by the director at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Work in progress includes overheads relative to the stage of completion.

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 director, there is reasonable probability that the liability will not arise in the foreseeable future.

Leased assets

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

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability. The interest element of rental obligations is charged to profit and loss account over the period of the lease at a constant proportion of the outstanding balance of capital repayments.

Pensions

Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account for the year in which they are payable to the scheme.

2. OPERATING PROFIT

The operating profit is stated after charging:-

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Profit on sale of tangible fixed assets	(2,830)	-
Depreciation of tangible fixed assets	13,007	4,917
Auditors' remuneration	3,630	3,420
Director's remuneration	24,704	23,196
Director's pension fund contributions	3,900	3,900
	=====	=====

Director's remuneration excludes benefits-in-kind.

ACTON & ACTON LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1998

(Continued)

3. TAXATION CHARGE

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
<u>Corporation tax</u>		
Charge for the year	7,413	2,458
	=====	=====

The company is a 'close' company within the meaning of the Income and Corporation Taxes Act 1988.

4. TANGIBLE FIXED ASSETS

	<u>Motor vehicles</u>	<u>Plant and equipment etc</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost</u>			
At 1 April 1997	26,445	24,220	50,665
Additions	47,015	1,564	48,579
Disposals	(26,445)	-	(26,445)
	-----	-----	-----
At 31 March 1998	47,015	25,784	72,799
	-----	-----	-----
<u>Depreciation</u>			
At 1 April 1997	15,289	17,428	32,717
On disposals	(15,289)	-	(15,289)
Charge for the year	11,754	1,253	13,007
	-----	-----	-----
At 31 March 1998	11,754	18,681	30,435
	-----	-----	-----
<u>Net book values</u>			
At 31 March 1998	35,261	7,103	42,364
	=====	=====	=====
At 31 March 1997	11,156	6,792	17,948
	=====	=====	=====

The net book value of assets held under hire purchase agreements was £35,261 (1997 - £11,156) and the depreciation charged thereon during the year was £11,754 (1997 - £3,719).

5. DEBTORS

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Trade debtors	85,753	87,542
Prepayments	6,221	4,611
Advance corporation tax recoverable	2,500	5,000
	-----	-----
	94,474	97,153
	=====	=====

ACTON & ACTON LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1998

(Continued)

6. CREDITORS - Amounts falling due within one year

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Trade creditors	52,277	59,276
Corporation tax	7,413	2,458
Advance corporation tax payable	2,500	5,000
H.M. Customs and Excise - V.A.T.	4,864	14,224
Inland Revenue - P.A.Y.E. and N.I.C.	5,728	6,648
Other loan account	2,000	-
Director's loan account	33,175	33,987
Hire purchase creditors	8,273	4,918
Accruals	11,484	8,294
	<hr/>	<hr/>
	127,714	134,805
	=====	=====

The director's loan account and other loan account are unsecured, interest free and repayable upon demand.

7. CREDITORS - Amounts falling due after more than one year

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Hire purchase creditors	22,304	1,230
	=====	=====

8. CALLED UP SHARE CAPITAL

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
<u>Authorised</u>		
100,000 ordinary shares of £1 each	100,000	100,000
	=====	=====
<u>Allotted, called up and fully paid</u>		
100 ordinary shares of £1 each	100	100
	=====	=====

9. CONTINGENT LIABILITIES

There are no contingent liabilities of a material amount for which provision has not been made in the accounts.

10. COMMITMENTS

Capital commitments

There were no capital commitments at 31 March 1998 (1997 - £Nil).

Pension commitments

The company operates a defined contribution pension scheme on behalf of the director and certain employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The annual commitment under this scheme is for contributions of £10,000 (1997 - £9,815).