

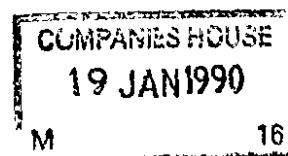
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YEOVIL TIMBER COMPANY LIMITED

REPORT AND GROUP ACCOUNTS

for the period

1st JUNE, 1987 to the 31st DECEMBER, 1987



YEOVIL TIMBER COMPANY LIMITED

ACCOUNTS FOR PERIOD 1st JUNE, 1987 to the 31st DECEMBER, 1987

DIRECTORS

P.A. ELLIOTT (Chairman)

P.K. BURSTON (Managing)

M.C. SPROSTON

SECRETARY

MRS P.A. ELLIOTT

AUDITORS

BINDING & CO.

REGISTERED OFFICE

PEN MIL TRADING ESTATE,  
YEOVIL, SOMERSET.

YEOV'L TIMBER COMPANY LIMITED  
PERIOD 1st JUNE,1997 to the 31st DECEMBER,1987

INDEX TO GROUP ACCOUNTS

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YEOVIL TIMBER COMPANY LIMITED

REPORT OF THE DIRECTORS

The Directors submit their first Report and Audited Group Accounts for the period 1st June, 1987 to the 31st December, 1987.

1. TRADING RESULTS

The Group Trading profit for the period 1st June, 1987 to the 31st December, amounted to £405,740. Taxation absorbed £145,966 and Extra-ordinary items £59,872, leaving £199,902 to be taken to reserve.

2. REVIEW OF THE BUSINESS

The Company was incorporated to acquire the timber trading business of the former Yeovil Timber Co. Limited together with the acquisition of three Associated Companies in the timber and timber merchanting trades. The Directors were encouraged by the performance of the Group since it commenced trading on the 1st June, 1987.

3. DIVIDENDS

The Directors do not recommend the payment of a dividend in respect of the period.

4. ACTIVITIES OF THE GROUP

The Group Companies are all based in the United Kingdom and their principal activities are those of Timber Processors, Merchants, Manufacturers and Sawmills. There has been no significant change in the activities of the Group since the 1st June, 1987.

5. DIRECTORS

P.A. Elliott	(Chairman)
P.K. Burston	(Managing)
M.C. Sproston	

6. RESEARCH AND DEVELOPMENT

The Group is committed to research and development in the manufacturing and marketing of timber products which it is hoped will assist in improving the profitability of the Group.

7. FUTURE DEVELOPMENTS

Since the period end the Group has been acquired by Hunter PLC and that as a result it is anticipated that the Group now being part of a much larger organisation will benefit and increase its profitability.

8. AUDITORS

In accordance with Section 384 of the Companies Act 1988, a resolution proposing the re-appointment of Binding & Co., as Auditors will be put to the Annual General Meeting.

DATED this 20th day of May 1988

ON BEHALF OF THE BOARD

P.K. BURSTON.

Director

Pen Mill Trading Estate,  
YEOVIL,  
Somerset.

YREVIL TIMBER COMPANY LIMITEDGROUP PROFIT AND LOSS ACCOUNTFOR THE PERIOD 1ST JUNE 1987 to the 31st DECEMBER 1987Notes

<u>TURNOVER</u>		3,840,627
Change in Stocks of Finished Goods etc.,		<u>107,448</u>
		3,733,179
Other Operating Income	2	<u>7,168</u>
		3,740,347
Raw Materials and Consumables	2,549,878	
Other External Charges	<u>21,115</u>	
		<u>2,570,993</u>
		1,169,354
Staff costs	517,168	
Depreciation	46,112	
Loss on Disposal of Fixed Assets	3,855	
Other operating charges	<u>196,810</u>	
		<u>763,945</u>
<u>OPERATING PROFIT</u> for the period		405,409
<u>INCOME FROM INVESTMENTS</u>	4	<u>351</u>
		405,760
Interest Payable on Loans repayable within 5 years		<u>20</u>
<u>NET PROFIT BEFORE TAXATION</u>	1	405,740
<u>TAXATION</u>	5	
Corporation Tax on Profits for the period		<u>145,966</u>
<u>NET PROFIT AFTER TAXATION</u>		259,774
<u>EXTRA-ORDINARY ITEMS</u>		
Preliminary expenses and reconstruction costs		<u>59,872</u>
<u>BALANCE</u> Retained profits for the period		<u>£ 199,902</u>

YEOVIL LUMBER COMPANY LIMITEDGROUP BALANCE SHEET31st DECEMBER, 1987

	<u>Notes</u>	
<u>FIXED ASSETS</u>		
<u>TANGIBLE ASSETS</u>	6	1,174,381
<u>CURRENT ASSETS</u>		
Stocks		743,137
Debtors		744,091
Cash at Bank and in Hand		428,701
		<u>1,915,929</u>
<u>PREPAYMENTS AND ACCRUED INCOME</u>		<u>20,982</u>
		<u>£ 1,936,911</u>
<u>Less CURRENT LIABILITIES</u>		
Creditors - Amounts falling due within one year		
Bank Overdraft		243,363
Creditors	10	400,094
Current Taxation		<u>238,144</u>
		<u>£ 881,601</u>
<u>NET CURRENT ASSETS</u>		<u>1,055,310</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>£ 2,229,691</u>

Financed by :-

CAPITAL AND RESERVES

<u>CALLED UP SHARE CAPITAL</u>	11	2,006,102
<u>RESERVES</u>	12	
Capital		23,687
Revenue		
Profit and Loss		<u>199,902</u>
		<u>223,589</u>
		<u>£ 2,229,691</u>

P.K. Burston )  
 ) Directors  
 M.C. Sproston )

*P.K. Burston*  
*M.C. Sproston*

YEOVIL TIMBER COMPANY LIMITEDBALANCE SHEET31st DECEMBER, 1987NotesFIXED ASSETSTANGIBLE ASSETS

6

1,059,663

INVESTMENTS

7

660,100

1,719,763

CURRENT ASSETS

Stocks

8

539,775

Debtors

9

696,483

Cash at Bank and in Hand

428,540

1,664,798

PREPAYMENTS AND ACCRUED INCOME17,847£ 1,682,645Less CURRENT LIABILITIESCreditors - Amounts falling due  
within one year

Bank Overdraft

237,270

Creditors

10

911,594

Current Taxation

159,204£ 1,308,068NET CURRENT ASSETS374,577TOTAL ASSETS LESS CURRENT LIABILITIES£ 2,094,340

Financed by:-

CAPITAL AND RESERVESCALLED UP SHARE CAPITAL

11

2,006,102

RESERVES

12

Revenue

Profit and Loss

88,238£ 2,094,340

P.K. Burston )

) Directors

M.C. Sproston )





YEOVIL TIMBER COMPANY LIMITEDGROUP STATEMENT OF SOURCE AND APPLICATION OF FUNDSfor the period 1st JUNE, 1987 to the 31st DECEMBER, 1987SOURCE OF FUNDS

Net Profit for the period after Taxation	199,902
--	---------

Share Capital	2,006,102
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Adjustments for items not involving the movement of funds	
Depreciation	<u>46,112</u>

CASH FLOW for the period	2,252,116
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APPLICATION OF FUNDS

Purchases less Sales of Tangible Fixed Assets	1,220,493
Excess on acquisition of Subsidiary Companies	<u>/23,687/</u>
	<u>1,196,806</u>

<u>INCREASE//DECREASE/ IN WORKING CAPITAL</u>	1,055,310
---	-----------

CHANGES IN WORKING CAPITAL

which increase//decrease/ the liquid funds of the Company	
Stocks	<u>/743,137/</u>
Debtors	<u>/744,091/</u>
Prepayments	<u>/20,982/</u>
Creditors	400,094
Current Taxation	<u>238,144</u>
	<u>/869,972/</u>
£	185,338

/INCREASE//DECREASE IN LIQUIDITY

Cash at Bank and in Hand	<u>/428,701/</u>
Bank Overdraft	243,363
£	<u>/185,338/</u>

YEOVIL TIMBER COMPANY LIMITEDACCOUNTS PERIOD 1st JUNE, 1987 TO THE 31st DECEMBER, 1987ACCOUNTING POLICIES(a) Accounting Convention

The Accounts are prepared under the historical cost convention.

(b) Basis of consolidation

The group accounts consolidate the accounts of Yeovil Timber Company Limited, and all its subsidiaries made up to the 31st December. The excess arising on consolidation, and representing the excess of net assets over the purchase price is transferred to Capital Reserve.

(c) Stocks and Work in Progress

Stocks and Work in Progress are valued at the lower of cost and net realisable value.

Stocks - cost comprises the cost of the goods and materials purchased on a first in, first out basis.

Work in Progress - cost comprises the cost of the Materials purchased plus labour costs.

(d) Turnover

Turnover represents net sales excluding Value Added Tax.

(e) Interest

Interest received is accounted for on the basis of cash received.

(f) Depreciation

Depreciation is calculated to write off the cost of the assets over their estimated useful lives.

The main rates and methods of depreciation are:-

Leasehold Premises	- Over the remainder of the lease
Plant and Machinery	- 10% on the reducing balance.
Sideloaders	- 20% on the reducing balance.
Office Equipments and other	
Furniture and Fittings	- 10% on the reducing balance.
Motor Vehicles	- 25% on the reducing balance.

It is the Company's policy to maintain the freehold properties, comprising Retail Shops and Industrial Premises, in such condition that the value to the business of the Estate taken as a whole is not impaired by the passage of time. Such expenditure is charged to profits in the year in which it is incurred. As a consequence any element of depreciation would, in the opinion of the Directors, be immaterial and therefore no provision for depreciation has been made.

(g) Deferred Taxation

Deferred Taxation is provided in accordance with the Statement of Standard Accounting Practice Number 15.

(h) Leasing

Rentals payable and receivable under operating leases are charged and credited to Profit and Loss over the terms of the lease.

YEDVIL TIMBER COMPANY LIMITEDACCOUNTS PERIOD 1st JUNE, 1987 TO THE 31st DECEMBER, 1987EXPLANATORY NOTES TO THE ACCOUNTS1. GROUP PROFIT ON ORDINARY ACTIVITIES

The Group profit on ordinary Activities  
is stated after charging -

Operating Lease Rentals	230
Other Plant and Equipment	15,839
Auditors' Remuneration	<u>9,750</u>
	£ 25,819

2. OTHER OPERATING INCOME

Plant Hire Receipts	1,471
Management Charges Receivable	1,778
Rents Receivable	<u>1,166</u>
	£ 4,415

3. STAFF COSTS

Wages and Salaires	301,926
Directors' Remuneration	56,445
Social Security Costs	38,244
Other Pension Costs	<u>11,241</u>
	£ 407,856

The average number of employees during the  
period was made up as follows:

Productive	18
Selling and Distribution	54
Administrative and Directors	<u>20</u>
	<u>92</u>

DIRECTORS' EMOLUMENTS

Fees	-
Other Emoluments and Benefits	<u>84,763</u>
	£ 84,763

Chairman

£ 50,343

2. DIRECTORS' EMOLUMENTS (continued)

<u>Range of Emoluments</u> (Excluding Pension Contributions) (Including Chairman)		<u>Number of Directors</u>
£	£	
10,001 -	15,000	1
20,001 -	25,000	1
40,001 -	45,000	1

DIRECTORS' INTEREST IN SHARES OF THE COMPANY

The Directors of the Company have interests (including the interests of Wives and Infant Children where applicable) in shares of the Company as follows:-

Director	Name of the Company	Class of Shares	At the beginning of the period Shares	At the end of the period Shares
P.A.Elliott	Yeovil Timber Company Limited	Ordinary	1,296,192	1,296,192

4. INCOME FROM INVESTMENTS

Bank Deposit Account Interest £ 351

5. TAXATION

Corporation Tax has been provided for in respect of the financial year 1987 in the main at 35%, but in certain subsidiaries provision has been made at marginal rates.

Corporation Tax payable on ordinary activities has been increased by £4,509 as a result of decelerated Capital Allowances.

6. MOVEMENT OF TANGIBLE FIXED ASSETS

	Cost	Group Depreciation	Net Book Value	Cost	Company Depreciation	Net Book Value
<u>Freehold Property</u>						
Expenditure	275,287	-	275,287	275,287	-	275,287
Depreciation for the period	-	-	-	-	-	-
at 31.12.1987	275,287	-	275,287	275,287	-	275,287
.....						
<u>Long Leasehold Property</u> (Lease with more than fifty years to run)						
Expenditure	519,783	-	519,783	519,783	-	519,783
Depreciation for the period	-	3,896	/3,896/	-	3,896	/3,896/
at 31.12.1987	519,783	3,896	515,887	519,783	3,896	515,887
.....						
<u>Short Leasehold Property</u>						
As at 1.6.1987	81,385	39,663	41,722	-	-	-
Depreciation for the period	-	2,308	/2,308/	-	-	-
at 31.12.1987	81,385	41,971	39,414	-	-	-
.....						
Carried forward	876,455	45,867	830,588	795,070	3,896	791,174

## 6. MOVEMENT OF FIXED TANGIBLE ASSETS (continued)

	Cost	Group Depreciation	Net Book Value	Cost	Company Depreciation	Net Book Value
Brought forward	876,455	45,867	830,588	795,070	3,896	791,174
Plant and Machinery						
at 1.6.1987	32,505	13,370	19,135	-	-	-
Expenditure	145,317	-	145,317	111,292	-	111,292
Disposals	/1,012/	/4,811/	/2,201/	-	-	-
Depreciation for the period	-	12,996	/12,996/	-	8,648	/8,648/
at 31.12.1987	170,810	21,555	149,255	111,292	8,648	102,644
Fixtures, Fittings and Office Equipment						
at 1.6.1987	41,352	25,710	25,642	-	-	-
Expenditure	39,066	-	39,066	39,066	-	39,066
Depreciation for the period	-	3,839	/3,839/	-	2,278	/2,278/
at 31.12.1987	80,418	19,549	60,869	39,066	2,278	36,788
Motor Vehicles						
at 1.6.1987	8,200	2,690	5,510	-	-	-
Expenditure	161,370	-	161,370	161,370	-	161,370
Disposals	/10,284/	-	/10,284/	/10,284/	-	/10,284/
Depreciation for the period	-	22,927	/22,927/	-	22,029	/22,029/
at 31.12.1987	159,286	25,617	133,669	151,086	22,029	129,057
TOTAL FIXED ASSETS	£ 1,286,969	112,588	1,174,381	1,096,514	36,851	1,059,663

## 7. INVESTMENTS

		<u>Group</u>	<u>Company</u>	
Group Companies		<u>£ -</u>	<u>£ 660,100</u>	
<u>Subsidiary Companies</u>				
Name of Company	Country of Incorporation	Class of Shares Held	Proportion of Nominal Value of Shares Held	Nature of Business
Hugocourt Limited	England	Ordinary	100%	Manufacture of Roof Trusses
Frandalon Limited	England	Ordinary	100%	Suppliers to the Building Trades and D.I.Y. Markets
*Tiverton Timber Limited	England	Ordinary	100%	Suppliers to the Building Trades and D.I.Y. Market

EXPLANATORY NOTES TO THE ACCOUNTS (continued)8. STOCKS

	<u>Group</u>	<u>Company</u>
Goods for resale	738,784	535,422
Consumables	<u>4,353</u>	<u>4,353</u>
	£ 743,137	£ 539,775
Estimated replacement cost	<u>£ 1,059,258</u>	<u>£ 860,349</u>

9. DEBTORS

	<u>Group</u>	<u>Company</u>
Trade	734,920	687,325
Other	<u>9,171</u>	<u>9,171</u>
	£ 744,091	£ 696,483

10. CREDITORS

	<u>Group</u>	<u>Company</u>
Amounts falling due within one year		
Trade	209,129	193,936
Other	60,020	51,126
Other Taxes and Social Security Costs	114,069	114,069
Amounts due to Group Companies	-	540,377
Accruals and deferred income	<u>16,876</u>	<u>12,086</u>
	£ 400,094	£ 911,594

11. SHARE CAPITAL

Authorised, Issued and Fully Paid 20,000 Ordinary Shares of £1 each	<u>£ 2,006,102</u>
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12. RESERVES

	<u>Group</u>	<u>Company</u>
<u>Capital</u>		
Addition on consolidation of Group Companies	£ 23,687	£ -
<u>Revenue</u>		
<u>Profit and Loss</u>		
<u>Net profit for the year</u>		
The Company	236,331	236,331
Subsidiaries	169,409	-
<u>Taxation</u>		
The Company	<u>/88,221/</u>	<u>/88,221/</u>
Subsidiaries	<u>/57,745/</u>	-
<u>Extra-Ordinary Items</u>		
The Company	<u>/59,872/</u>	<u>/59,872/</u>
At 31st December, 1987	£ 199,902	£ 88,238

EXPLANATORY NOTES TO THE ACCOUNTS (continued)13. EVENT ARISING AFTER THE BALANCE SHEET DATE

Since the end of the period the Group has been acquired by Hunter PLC

14. CAPITAL COMMITMENTS

Capital Commitments not provided for at the 31st December, 1987 are Nil, and no Capital Expenditure was authorised by the Directors but not contracted for.

15. OPERATING LEASE COMMITMENTS

There are annual commitments under operating leases as follows :-

	<u>Group</u>	<u>Company</u>
<u>Land and Buildings</u>		
Those expiring after five years	<u>£ 13,125</u>	<u>£ 11,700</u>
<u>Other</u>		
Those expiring within one year	149	149
Those expiring after one year and within five years	<u>2,687</u>	<u>2,687</u>
	<u>£ 2,836</u>	<u>£ 2,836</u>

YEOVIL TIMBER COMPANY LIMITED

PERIOD 1st JUNE, 1987 to the 31st DECEMBER, 1987

REPORT OF THE AUDITORS

TO THE MEMBERS OF YEOVIL TIMBER COMPANY LIMITED

We have audited the financial statements and related notes in accordance with approved auditing standards.

In our opinion the financial statements, which have been prepared under the historical cost convention, give under that convention a true and fair view of the state of affairs of the Company and of the Group as at the 31st December, 1987, and of the profit and source and application of funds of the Group for the period then ended and comply with the Companies Act 1985.



BINDING & CO.

Chartered Accountants.

Ainsty House,  
Church Road,  
SPARKFORD,  
Somerset.

10th March, 1988