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CANUSA LIMITED

ANNUAL REPORT

YEAR ENDED 31 MARCH 1983



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DIRECTORS' REPORT

The Directors present their report and the financial statements of the company for the year ended 31st March 1983.

RESULTS AND DIVIDENDS

The results for the year and the financial position of the company are shown in the annexed accounts. The Directors do not recommend that a dividend be paid in respect of the year ended 1983.

REVIEW OF THE BUSINESS

The principal activity of the Company is to act as timber agents.

Trading conditions remained difficult but the company maintained a level of business to show a small profit.

As part of the Meyer International Group reorganisation, the company has with effect from 1st April 1983 been integrated into the Hardwood Division of the Group.

DIRECTORS

The Directors who have served during the year are as follows:

Mr C G Gagliani	(resigned 1st April 1983)
Mr F A Cope	(resigned 1st April 1983)
Mr P G Harris	(resigned 1st April 1983)
Mr A R Dimblebee	
Mr W P Matthews	(resigned 1st April 1983)

Mr B E Treasure was appointed a Director on 1st April 1983.

The beneficial interests of the Directors of the Company (who are not directors of the ultimate holding company) in the ordinary shares of the ultimate holding company, Meyer International PLC, were as follows:

	<u>At 31 March 1983</u>	<u>At 1 April 1982 or date of appointment (See Note 1)</u>
Mr C G Gagliani - own Account	420	420
- family Account	208	208
Mr A R Dimblebee	1680	1680

Note 1: The interests of the directors at 1st April 1982 shown above have been calculated on the basis of their shareholdings of ordinary shares of International Timber PLC and Montague L Meyer PLC at that date adjusted by the terms of the offer for these shares by Meyer International PLC on 7th July 1982.

None of the directors has any interest direct or indirect in any contract entered into by the company.

DIRECTORS' REPORT

FIXED ASSETS

There were no exceptional items of expenditure during the year.

AUDITORS

Subject to special notice being received in accordance with Section 142 of the Companies Act 1948 and Section 15 (1) (a) of the Companies Act 1976, Pannell Kerr Forster will be appointed Auditors of the Company until the conclusion of the next Annual General Meeting.

BY ORDER OF THE BOARD

27th May 1983

P O Box 118, Carpenters Road,
London, E15 2DY


Secretary

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 4 to 10 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 the company's affairs as at 31 March 1983 and of its profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

6th June 1983

186 City Road
London EC1V 2NU

Ronson Rhodes

Chartered Accountants

PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 1983

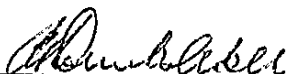

		<u>1983</u>		<u>1982</u>
	Notes	£	£	£
Turnover				
Cost of Sales	2	344,511		305,644
Gross Profit		-		8,206
Administration expenses		344,511		297,438
Operating profit		314,808		252,254
		29,703		45,184
Other interest receivable and similar income		98,978		113,902
		128,681		159,086
Interest payable and similar charges	3	102,748		127,504
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	25,933		31,582
Tax on profit on ordinary activities	5	14,952		15,530
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		10,981		16,052
PROFIT FOR THE YEAR		10,981		16,052
Dividends		-		-
RETAINED PROFIT FOR THE YEAR		10,981		16,052

BALANCE SHEET

31 MARCH 1983

		<u>1983</u>		<u>1982</u>	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	6		3,414		8,058
CURRENT ASSETS					
Debtors	7	252,168		560,278	
		<u>252,168</u>		<u>560,278</u>	
CREDITORS - Amounts falling due within one year	8	217,457		541,192	
NET CURRENT ASSETS			34,711		19,086
TOTAL ASSETS LESS CURRENT LIABILITIES			38,125		27,144
CAPITAL AND RESERVES					
Called up share capital	10		335,000		335,000
Profit and loss account	11		(296,875)		(307,856)
			<u>38,125</u>		<u>27,144</u>

Approved by the board on
27th May 1983

Directors

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
YEAR ENDED 31 MARCH 1983

	<u>1983</u>		<u>1982</u>	
	£	£	£	£
SOURCE OF FUNDS				
Profit on ordinary activities before taxation		25,933		31,582
Adjustment for items not involving the movement of funds:				
Depreciation and amortisation		2,794		3,901
TOTAL GENERATED FROM OPERATIONS		<u>28,727</u>		<u>35,483</u>
FUNDS FROM OTHER SOURCES				
Proceeds from sale of tangible fixed assets		1,850		-
TOTAL SOURCE OF FUNDS		<u>30,577</u>		<u>35,483</u>
APPLICATION OF FUNDS				
Tax paid		-		11,959
Additions to fixed assets		-		<u>110,830</u>
Payment for Group relief		-		
NET FUNDS		<u>30,577</u>		<u>(122,789)</u> <u>(87,306)</u>
INCREASE/(DECREASE) IN WORKING CAPITAL				
Stocks		-		7,400
Debtors		308,111		(467,127)
Creditors, excluding taxation, proposed dividend and bank loans and overdrafts		<u>(304,380)</u>		<u>639,648</u>
Movement in net liquid funds:		3,731		179,921
Bank overdrafts		<u>(34,308)</u>		<u>(92,615)</u>
		<u>(30,577)</u>		<u>(87,306)</u>

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 1983

1. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain properties and in accordance with the Companies Act 1981. The principal accounting policies applied in the preparation of the financial statements are as follows:

(a) Tangible fixed assets and depreciation

Depreciation of cars is based on cost, and is calculated to write off the cost or valuation of assets in equal annual instalments over their expected lives at 25%.

(b) Deferred taxation

Provision is made for deferred taxation using the liability method, to the extent that the Directors consider a liability may arise in the foreseeable future.

(c) Foreign currencies

Assets and liabilities expressed in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences arising on the translation of foreign currency transactions during the year are dealt with as part of the profit on ordinary activities.

2. TURNOVER AND PROFIT ANALYSIS

(a) Turnover represents commission on goods supplied as agents and excludes value added tax.

(b) The business of the Company is to act as timber agents.

(c) All trading is carried out in the United Kingdom.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The profit on ordinary activities before taxation is stated after taking into account the following:

	<u>1983</u>	<u>1982</u>
	£	£
Staff costs:		
Salaries	124,845	118,721
Social security costs	9,525	10,241
Other pension costs	18,524	16,838
Depreciation	2,794	3,901
Auditors' Remuneration	2,500	3,000
Interest payable on bank and other borrowings repayable within five years	102,748	127,504
Redundancy payments	31,369	-
	<u> </u>	<u> </u>

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 1983

4. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

	<u>1983</u>	<u>1982</u>
	£	£
Remuneration for managerial services (including pension contributions)	43,090	40,905
Compensation for loss of office	8,490	-
Total Directors' emoluments	<u>51,580</u>	<u>40,905</u>

The emoluments, excluding pension contributions, of the chairman and highest paid director were £ nil (1982 - £ nil) and £18,653 (1982 - £17,743) respectively. The table below shows the number of other Directors whose emoluments excluding pension contributions were within the ranges stated:

	<u>1983</u>	<u>1982</u>
	<u>Number</u>	<u>Number</u>
nil to £ 5,000	2	2
£ 5,001 to £10,000	-	-
£10,001 to £15,000	-	-
£15,001 to £20,000	1	1

The average number of employees employed by the company during the year was 13.

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>1983</u>	<u>1982</u>
	£	£
Taxation on the profit for the year:		
Corporation tax at 52% (1982 52%)	14,952	-
Group relief payable	-	17,700
	<u>14,952</u>	<u>17,700</u>
Adjustments in respect of previous years	-	2,170
	<u>14,952</u>	<u>15,530</u>

NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 1983

6. TANGIBLE FIXED ASSETS

	<u>Motor vehicles</u>
<u>Cost</u>	£
At 1 April 1982	19,494
Disposals	(5,170)
At 31 March 1983	<u>14,324</u>
<u>Depreciation</u>	
At 1 April 1982	11,436
Provisions for the year	2,794
Disposals	(3,320)
At 31 March 1983	<u>10,910</u>
Net book amount at 31 March 1983	<u>3,414</u>
Net book amount at 31 March 1982	<u>8,058</u>

	<u>Historical cost</u>	
	<u>1983</u>	<u>1982</u>
	£	£
7. DEBTORS		
Trade Debtors	164,465	515,656
Amounts owed by group companies	82,380	-
Prepayment and accrued income	5,323	44,622
	<u>252,168</u>	<u>560,278</u>

8. CREDITORS (amounts falling due within one year)

Bank loans and overdrafts (note 9)	39,890	74,198
Trade creditors	67,280	168,250
Bills payable	59,160	76,267
Amounts due to group companies	11,261	184,926
Taxation and social security	33,004	17,700
Accruals and deferred income	6,862	19,851
	<u>217,457</u>	<u>541,192</u>

NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 1983

9. BANK LOANS AND OVERDRAFTS

The bank loans and overdrafts are repayable in one year or less

<u>1983</u>	<u>1982</u>
£	£
39,890	74,198
<u> </u>	<u> </u>

10. CALLED UP SHARE CAPITAL

Authorised

<u>1983</u>	<u>1982</u>
£	£
350,000	350,000
<u> </u>	<u> </u>

Allotted and fully paid ordinary shares of £1 each

335,000	335,000
<u> </u>	<u> </u>

11. RESERVES

Reserves at 1 April 1982
Profit of the year retained

Profit
and loss
account
£

(307,856)
10,981

Reserves at 31 March 1983

(296,875)

12. CONTINGENT LIABILITIES

There are contingent liabilities in respect of bills receivable discounted amounting to £68,351 (1982 £149,165), and bid bonds amounting to £2,000 (1982 - £ nil).

13. ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Meyer International PLC, a company incorporated in Great Britain.

14. POST BALANCE SHEET EVENT

On 1st April 1983 the assets, liabilities and trading activity of the company were transferred to Gliksten Export Sales Limited, a fellow subsidiary of Meyer International PLC.