

ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2000
FOR
SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD



SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

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FOR THE YEAR ENDED 31ST JANUARY 2000

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SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

COMPANY INFORMATION
FOR THE YEAR ENDED 31ST JANUARY 2000

DIRECTORS:

C.R.C Howard
P W Bethell
E B Jones
Mrs J.L. Howard

SECRETARY:

J L Howard

REGISTERED OFFICE:

Longden Road
Shrewsbury
Shropshire
SY3 9PS

REGISTERED NUMBER:

219552

AUDITORS:

Richard Dyas & Co
Registered Auditor
Chartered Accountants
The Old Grammar School
St Leonards Close
Bridgnorth
Shropshire WV16 4EJ

SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST JANUARY 2000

The directors present their report with the financial statements of the company for the year ended 31st January 2000.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of launderers providing services in washing, cleaning, dyeing and bleaching, together with the provision of workwear.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 31st January 2000.

FIXED ASSETS

Fixed assets are as shown in the notes to the accounts.

DIRECTORS

The directors during the year under review were:

C.R.C Howard	
P W Bethell	
E B Jones	- appointed 2.12.99
Mrs J.L. Howard	

The beneficial interests of the directors holding office on 31st January 2000 in the issued share capital of the company were as follows:

	31.1.00	1.2.99 or date of appointment if later
Ordinary 'A' shares £1 shares		
C.R.C Howard	8,741	8,741
P W Bethell	-	-
E B Jones	-	-
Mrs J.L. Howard	1	1
Ordinary 'B' shares £1 shares		
C.R.C Howard	2,914	-
P W Bethell	5,828	4,371
E B Jones	-	-
Mrs J.L. Howard	-	-

STATEMENT OF 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;
- 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.

SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST JANUARY 2000

AUDITORS

The auditors, Richard Dyas & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



P W Bethell - DIRECTOR

Dated: 10th March 2000

SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

REPORT OF THE AUDITORS TO
SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages five to fifteen, together with the full financial statements of the company for the year ended 31st January 2000 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

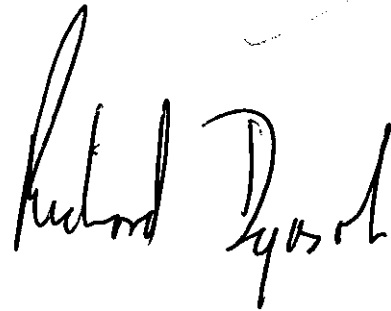
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to fifteen are properly prepared in accordance with that provision.

Richard Dyas & Co
Registered Auditor
Chartered Accountants
The Old Grammar School
St Leonards Close
Bridgnorth
Shropshire WV16 4EJ

Dated: 10th March 2000



SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JANUARY 2000

31.1.99				31.1.00
£	£		Notes	£
	903,846	GROSS PROFIT		1,009,080
206,836		Distribution costs		241,903
528,711		Administrative expenses		621,607
	735,547			863,510
	168,299	OPERATING PROFIT	3	145,570
	1,524	Interest receivable and similar income		2,251
	169,823			147,821
	6,739	Interest payable and similar charges	4	7,007
	163,084	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		140,814
	32,788	Tax on profit on ordinary activities	5	28,568
	130,296	PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		112,246
	954,372	Retained profit brought forward		1,084,668
<u>£1,084,668</u>		RETAINED PROFIT CARRIED FORWARD		<u>£1,196,914</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

ABBREVIATED BALANCE SHEET
31ST JANUARY 2000

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

R. Haras

Approved by the Board on 10th March 2000

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SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JANUARY 2000

31.1.99				31.1.00
£	£		Notes	£
		Net cash (outflow)/inflow from operating activities	1	
	342,476			(33,857)
		Returns on investments and servicing of finance	2	
	(5,215)			(4,756)
	(16,696)	Taxation		1,225
	(159,365)	Capital expenditure	2	(41,908)
	<u>161,200</u>			<u>(79,296)</u>
	(30,225)	Financing	2	(37,768)
	<u>£130,975</u>	(Decrease)/Increase in cash in the period		<u>£(117,064)</u>
<hr/>				
		Reconciliation of net cash flow to movement in net funds	3	
130,975		(Decrease)/Increase in cash in the period		(117,064)
		Cash outflow from decrease in debt and lease financing		
	30,224			<u>37,764</u>
		Change in net funds resulting from cash flows		(79,300)
	161,199	New finance leases		(36,501)
	(20,099)			
	<u>141,100</u>	Movement in net funds in the period		<u>(115,801)</u>
	(108,149)	Net funds/(debt) at 1st February 1999		<u>32,951</u>
	<u>£32,951</u>	Net (debt)/funds at 31st January 2000		<u>£(82,850)</u>

The notes form part of these financial statements

SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JANUARY 2000

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	31.1.00 £	31.1.99 £
Operating profit	145,570	168,299
Depreciation charges	119,680	99,516
(Increase)/Decrease in stocks	(135,923)	9,265
Increase in debtors	(102,081)	(4,920)
(Decrease)/Increase in creditors	(61,103)	70,316
Net cash (outflow)/inflow from operating activities	<u>(33,857)</u>	<u>342,476</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.1.00 £	31.1.99 £
Returns on investments and servicing of finance		
Interest received	2,251	1,524
Interest paid	(163)	(85)
Interest element of finance lease rentals payments	(6,844)	(6,654)
Net cash outflow for returns on investments and servicing of finance	<u>(4,756)</u>	<u>(5,215)</u>
Capital expenditure		
Purchase of tangible fixed assets	(45,186)	(162,115)
Sale of tangible fixed assets	3,278	2,750
Net cash outflow for capital expenditure	<u>(41,908)</u>	<u>(159,365)</u>
Financing		
Loan repayments in year	(37,768)	(30,225)
Net cash outflow from financing	<u>(37,768)</u>	<u>(30,225)</u>

The notes form part of these financial statements

SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JANUARY 2000

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.2.99 £	Cash flow £	Other non-cash changes £	At 31.1.00 £
Net cash:				
Cash at bank and in hand	103,081	(103,017)		64
Bank overdraft	-	(14,047)		(14,047)
	<u>103,081</u>	<u>(117,064)</u>		<u>(13,983)</u>
Debt:				
Finance leases	(70,130)	37,764	(36,501)	(68,867)
	<u>(70,130)</u>	<u>37,764</u>	<u>(36,501)</u>	<u>(68,867)</u>
Total	<u>32,951</u>	<u>(79,300)</u>	<u>(36,501)</u>	<u>(82,850)</u>
Analysed in Balance Sheet				
Cash at bank and in hand	103,081			64
Bank overdraft	-			(14,047)
Finance leases				
within one year	(24,733)			(31,462)
after one year	(45,397)			(37,405)
	<u>32,951</u>			<u>(82,850)</u>

The notes form part of these financial statements

SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2000

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the net amount invoiced by the Company for goods and services in the United Kingdom, exclusive of Valued Added Tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life from the time they are brought into use.

Leasehold property	- 4% on cost
Plant & Machinery	- 10% on cost
Motor Vehicles	- 25% on cost
Computer equipment	- 25% on cost

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Prior Year Adjustments

Any significant prior year adjustments and major unusual items are disclosed separately in the accounts.

2. STAFF COSTS

	31.1.00	31.1.99
	£	£
Wages and salaries	721,730	629,163
Social security costs	65,892	57,111
Other pension costs	14,551	10,400
	<u>802,173</u>	<u>696,674</u>

SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2000

2. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	31.1.00	31.1.99
Processing and distribution	47	40
Administration	7	7
Sales	15	11
	<u>69</u>	<u>58</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	31.1.00	31.1.99
	£	£
Depreciation - owned assets	92,324	83,159
Depreciation - assets on finance leases	27,356	16,357
Auditors' remuneration	8,720	6,888
	<u>128,400</u>	<u>106,404</u>
Directors' emoluments	86,098	69,236
Compensation to directors for loss of office	10,000	-
	<u>96,098</u>	<u>69,236</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.1.00	31.1.99
	£	£
Bank interest	163	85
Hire purchase	5,604	4,511
Leasing	1,240	2,143
	<u>7,007</u>	<u>6,739</u>

5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	31.1.00	31.1.99
	£	£
UK corporation tax	10,283	22,078
Deferred taxation	18,285	10,710
	<u>28,568</u>	<u>32,788</u>

UK corporation tax has been charged at 20% (1999 - 21%).

SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2000

6. TANGIBLE FIXED ASSETS

	<u>Totals</u>	<u>Leasehold property</u>	<u>Plant & Machinery</u>	<u>Motor vehicles</u>	<u>Computer equipment</u>
	£	£	£	£	£
COST:					
At 1st February 1999	1,278,100	26,539	985,573	188,777	77,211
Additions	81,687	740	11,171	39,296	30,480
Disposals	(23,676)	-	-	(23,676)	-
	<u>1,336,111</u>	<u>27,279</u>	<u>996,744</u>	<u>204,397</u>	<u>107,691</u>
DEPRECIATION:					
At 1st February 1999	629,170	3,187	469,272	106,680	50,031
Charge for year	119,680	1,064	52,104	40,543	25,969
Eliminated on disposals	(20,398)	-	-	(20,398)	-
	<u>728,452</u>	<u>4,251</u>	<u>521,376</u>	<u>126,825</u>	<u>76,000</u>
NET BOOK VALUE:					
At 31st January 2000	<u>607,659</u>	<u>23,028</u>	<u>475,368</u>	<u>77,572</u>	<u>31,691</u>
At 31st January 1999	<u>648,926</u>	<u>23,352</u>	<u>516,298</u>	<u>82,097</u>	<u>27,179</u>

Fixed assets, included in the above, which are held under finance leases are as follows:

	<u>Totals</u>	<u>Plant & Machinery</u>	<u>Motor vehicles</u>
	£	£	£
COST:			
At 1st February 1999	100,902	37,250	63,652
Additions	36,501	-	36,501
	<u>137,403</u>	<u>37,250</u>	<u>100,153</u>
DEPRECIATION:			
At 1st February 1999	20,935	5,095	15,840
Charge for year	27,356	3,725	23,631
	<u>48,291</u>	<u>8,820</u>	<u>39,471</u>
NET BOOK VALUE:			
At 31st January 2000	<u>89,112</u>	<u>28,430</u>	<u>60,682</u>
At 31st January 1999	<u>79,967</u>	<u>32,155</u>	<u>47,812</u>

7. STOCKS

	31.1.00	31.1.99
	£	£
Hire stock	564,905	441,445
Other stocks	33,449	20,986
	<u>598,354</u>	<u>462,431</u>

SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2000

**8. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.1.00 £	31.1.99 £
Trade debtors	470,922	371,043
Prepayments & Accrued Income	18,478	16,276
Corporation tax repayable	-	21,803
	<u>489,400</u>	<u>409,122</u>

**9. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.1.00 £	31.1.99 £
Bank loans and overdrafts (see note 11)	14,047	-
Finance leases (see note 12)	5,846	4,951
Trade creditors	108,995	193,108
Hire purchase	25,616	19,782
Taxation and social security	73,535	57,976
Corporation tax	11,783	22,078
Accrued expenses	77,644	70,193
	<u>317,466</u>	<u>368,088</u>

**10. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	31.1.00 £	31.1.99 £
Hire purchase	32,591	34,737
Finance leases (see note 12)	4,814	10,660
	<u>37,405</u>	<u>45,397</u>

11. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	31.1.00 £	31.1.99 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>14,047</u>	<u>-</u>

SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2000

12. OBLIGATIONS UNDER LEASING AGREEMENTS

	31.1.00	Finance leases 31.1.99
	£	£
Gross obligations repayable:		
Within one year	6,191	6,191
Between one and five years	4,814	11,005
	<u>11,005</u>	<u>17,196</u>
Finance charges repayable:		
Within one year	345	1,240
Between one and five years	-	345
	<u>345</u>	<u>1,585</u>
Net obligations repayable:		
Within one year	5,846	4,951
Between one and five years	4,814	10,660
	<u>10,660</u>	<u>15,611</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	31.1.00	31.1.99
	£	£
Bank overdrafts	14,047	-
	<u>14,047</u>	<u>-</u>

The company's bankers hold a standard bank debenture over the the company's assets.

14. PROVISIONS FOR LIABILITIES AND CHARGES

	31.1.00	31.1.99
	£	£
Deferred taxation	64,950	46,665
	<u>64,950</u>	<u>46,665</u>
	Deferred taxation	
	£	
Balance at 1st February 1999	46,665	
Movement in the year	18,285	
	<u>18,285</u>	
Balance at 31st January 2000	<u>64,950</u>	

SALOP LAUNDRY
TEXTILE RENTAL SERVICES LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JANUARY 2000

15. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	31.1.00 £	31.1.99 £
10,000	Ordinary 'A' shares	£1	10,000	10,000
10,000	Ordinary 'B' shares	£1	10,000	10,000
			<u>20,000</u>	<u>20,000</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	31.1.00 £	31.1.99 £
8,742	Ordinary 'A' shares	£1	8,742	8,742
8,742	Ordinary 'B' shares	£1	8,742	8,742
			<u>17,484</u>	<u>17,484</u>

16. SHARE PREMIUM

	31.1.00 £	31.1.99 £
Brought forward	<u>61,258</u>	<u>61,258</u>

17. CONTINGENT LIABILITIES

The Company had capital commitments of £30,000 at 31st January 2000 (1999 nil). The company had no contingent liabilities at 31st January 2000 (1999 nil).

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.1.00 £	31.1.99 £
Profit for the financial year	<u>112,246</u>	<u>130,296</u>
NET ADDITION TO SHAREHOLDERS' FUNDS	<u>112,246</u>	<u>130,296</u>
Opening shareholders' funds	<u>1,163,410</u>	<u>1,033,114</u>
CLOSING SHAREHOLDERS' FUNDS	<u>1,275,656</u>	<u>1,163,410</u>
Equity interests	<u>1,275,656</u>	<u>1,163,410</u>

19. TRANSACTIONS WITH DIRECTORS AND RELATED PARTIES

a) The Company trades with a dry cleaning business run by Mr and Mrs CRC Howard, transactions are on normal commercial terms.

b) The company utilises premises rented from Mr CRC Howard, a director of the company, rent £36,500 (1999 £36,500)