

# JOSEPH METCALF LIMITED

REPORT AND ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 1994

REGISTERED NO: 221152

PORTER MATTHEWS & MARSDEN  
Chartered Accountants  
Oakmount  
6 East Park Road  
Blackburn  
Lancashire  
BB1 8BW



COMPANY INFORMATION

YEAR ENDED 30 JUNE 1994

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DIRECTOR: B. Metcalf

EXECUTIVE DIRECTORS: H.A. Lawley  
K. Connor  
J.C. Harris

SECRETARY: J.D. Metcalf

REGISTERED OFFICE: Brookside Lane  
Oswaldtwistle  
Nr. Accrington  
Lancs.  
BB5 3NY

BANKERS: The Royal Bank of Scotland plc  
Blackburn Road  
Accrington  
Lancs  
BB5 1JJ

AUDITORS: Porter Matthews & Marsden  
Chartered Accountants  
Oakmount  
6 East Park Road  
Blackburn  
Lancs  
BB1 8BW

COMPANY REGISTERED NUMBER: 221152

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JOSEPH METCALF LIMITED

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YEAR ENDED 30 JUNE 1994

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**DIRECTOR'S REPORT**

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DIRECTOR

B. Metcalf

The director submits his report and the financial statements of the company for the year ended 30 June 1994.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

Company law requires the director 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 director is required to -

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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.

**PRINCIPAL ACTIVITY**

The principal activity of the company, which is unchanged since last year, is that of general chemical manufacturing and merchanting.

**BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The result for the year is shown in the Profit and Loss Account on page 6 of the financial statements.

The director is pleased to report that the company completed a satisfactory year and that the outlook for the ensuing year is satisfactory.

## DIRECTOR'S REPORT - CONTINUED

## DIVIDENDS

In view of the company's current and future requirements for the maintenance and development of its business, the director does not recommend the payment of a dividend but that the retained profit of £563,687 for the year be transferred to reserves.

## DIRECTORS

The names of the present directors of the company are given at the head of this report.

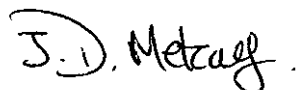
The directors of the company during the year and their beneficial interests in shares of the company are set out below:

	<u>30 June 1994</u>	<u>30 June 1993</u>
B. Metcalf	192,000	192,000

## AUDITORS

A resolution will be proposed at the Annual General Meeting to re-appoint Messrs. Porter, Matthews & Marsden as auditors.

BY ORDER OF THE BOARD,



J.D. METCALF  
Secretary

25TH NOVEMBER 1994

## REGISTERED OFFICE:

Brookside Lane  
Oswaldtwistle  
Nr. Accrington  
Lancashire.

PORTER MATTHEWS & MARSDEN

Chartered Accountants

Oakmount

6 East Park Road, Blackburn BB1 8BW  
Telephone: 01254 679131 · Fax: 01254 681759

AUDITORS' REPORT TO THE MEMBERS OF

JOSEPH METCALF LIMITED

PURSUANT TO PARAGRAPH 24 OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 6 to 12 together with the full financial statements of Joseph Metcalf Limited prepared under Section 226 of the Companies Act 1985 for the year ended 30 June 1994.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 7 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does 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 under Sections 246, 247 and 249 of the Companies Act 1985 to the exemptions conferred by Section B of Part III of Schedule 8 to that Act in respect of the year ended 30 June 1994 and the abbreviated accounts on pages 6 to 12 have been properly prepared in accordance with that Schedule.

Other information

On 25 November 1994 we reported, as auditors of Joseph Metcalf Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 30 June 1994 and our audit report was as follows:

"We have audited the financial statements on pages 5 to 14 which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and the accounting policies set out on page 8 and 9.

Partners: Jeremy N Stirrup · Brian C Marsden

Richard A Ainscough · Michael G Battersby BSc · Donald M Lyon ATII · David P Bradley · Diane L Eatough BA · Stephen M Anderson BA(Hons)  
Registered to carry on audit work and authorised to carry on investment business by the Institute of Chartered Accountants in England and Wales

Burnley Office: 83 Bank Parade · Burnley BB11 1UG · Tel: 01282 38035 · Fax: 01282 427021

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

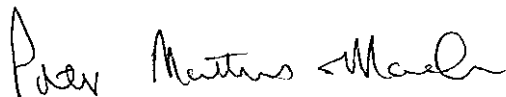
Basis of opinion

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 June 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985. "



PORTER MATTHEWS & MARSDEN  
Chartered Accountants and  
Registered Auditors  
Blackburn

25th November 1994

## ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 JUNE 1994

	<u>Notes</u>	<u>1994</u> £	<u>1993</u> £
GROSS PROFIT		3,613,157	2,962,966
Net operating expenses	2	<u>2,867,946</u>	<u>2,094,905</u>
OPERATING PROFIT	2	745,211	868,061
Investment income		-	7
Net interest receivable	4	<u>4,976</u>	<u>29,524</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		750,187	897,592
Tax on profit on ordinary activities	5	<u>186,500</u>	<u>249,805</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED FOR THE YEAR		563,687	647,787
Retained profits brought forward		<u>3,560,341</u>	<u>2,912,554</u>
RETAINED PROFITS CARRIED FORWARD		<u>4,124,028</u>	<u>3,560,341</u>

The company has no recognised gains and losses other than those included in the profit above.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

The notes on pages 8 to 12 form an integral part of these financial statements.



## ABBREVIATED BALANCE SHEET

30 JUNE 1994

	Notes	1994		1993	
		£	£	£	£
FIXED ASSETS					
Tangible assets	6		3,098,090		2,435,354
Investments	7		<u>15,000</u>		<u>15,000</u>
			3,113,090		2,450,354
CURRENT ASSETS					
Stocks	8	1,124,477		556,800	
Debtors	9	2,203,329		1,474,344	
Cash at bank and in hand		<u>199,917</u>		<u>1,236,447</u>	
		3,527,723		3,267,591	
CREDITORS - amounts falling due within one year	10	<u>2,250,224</u>		<u>1,950,677</u>	
NET CURRENT ASSETS			<u>1,277,499</u>		<u>1,316,914</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,390,589		3,767,268
CREDITORS - amounts falling due after more than one year	11		<u>59,634</u>		<u>-</u>
NET ASSETS			<u><u>4,330,955</u></u>		<u><u>3,767,268</u></u>
CAPITAL RESERVES					
Called up share capital	13		200,000		200,000
Profit and loss account			4,124,028		3,560,341
Revaluation reserve			<u>6,927</u>		<u>6,927</u>
SHAREHOLDERS' FUNDS			<u><u>4,330,955</u></u>		<u><u>3,767,268</u></u>

The directors have taken advantage of the exemptions conferred on medium-sized companies by Section B of Part III of Schedule 8 to the Companies Act 1985 as, in the opinion of the directors, the company is entitled to the exemptions on the grounds that it is a medium-sized company.

Approved by the board on 25th November 1994 and signed on their behalf by:

DIRECTOR: *B. Metcalf*

B. METCALF

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30 JUNE 1994

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## 1. ACCOUNTING POLICIES

Basis of Accounting

The historical cost convention, as modified by the revaluation of certain fixed assets, has been used in the preparation of the accounts.

The financial statements have also been prepared in accordance with the Companies Act 1985.

Consolidated Financial Statements

As permitted by Section 229 of the Companies Act 1985 consolidated financial statements have not been prepared as in the opinion of the directors they would be of no real value to the members in view of the insignificant amounts involved.

Depreciation of Tangible Fixed Assets

Tangible fixed assets have been depreciated so as to write them off over their anticipated useful lives using the following annual rates:-

Plant and Machinery	15% or 20% on cost and reducing balance
Motor Vehicles	25% on cost

Freehold buildings are maintained to ensure that their value does not diminish over time. In the opinion of the directors, any depreciation charge would therefore be immaterial and has not been made. Maintenance costs are charged to profit and loss in the year incurred.

Hire Purchase and Leasing**Hire Purchase and Finance Leases -**

Tangible fixed assets acquired under hire purchase and finance lease agreements are included in the balance sheet under fixed assets.

The capital element of the liability to the finance companies is included in creditors and the interest element is charged to profit and loss account in the period in which the instalments fall due for payment.

**Operating Leases -**

Lease rentals payable are charged to profit and loss account equally over the term of the lease.

Turnover

Turnover represents net invoiced sales of goods, excluding VAT.

Stocks and Work in Progress

Stock has been valued at the lower of cost and net realisable value.

Deferred Taxation

Provision is made at appropriate rates for taxation deferred in respect of all material timing differences only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

## NOTES TO THE ABBREVIATED ACCOUNTS - CONTINUED

YEAR ENDED 30 JUNE 1994

## 1. ACCOUNTING POLICIES - Cont'd

Pension Costs

The company operates a number of defined contribution pension schemes. Pension contributions are charged to profit and loss account as and when they are made.

## 2. OPERATING PROFIT

	1994	1993
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	£	£
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Net Operating Expenses

Distribution costs	862,074	656,035
Administrative expenses	2,005,872	1,438,870
	<u>2,867,946</u>	<u>2,094,905</u>

The operating profit is attributable to the sole activity of the company, is wholly attributable to trade in the United Kingdom and represents the results of continuing operations.

The operating profit is stated after charging:-

Directors' salaries	171,744	134,998
Depreciation and profit on sale of tangible fixed assets	279,076	188,577
Auditors' remuneration - Audit	3,600	2,500
- Non-audit	-	3,500
	<u>-</u>	<u>3,500</u>

## 3. STAFF COSTS AND DIRECTORS' REMUNERATION

The average weekly number of persons employed by the company during the year was as follows:-

Production	77	83
Other	39	34
	<u>116</u>	<u>117</u>

Staff costs including directors' remuneration were as follows:-

Wages and salaries	1,701,406	1,488,668
Social security costs	156,053	142,518
	<u>1,857,459</u>	<u>1,631,186</u>

The emoluments of the director was as follows:-

For services as an executive	<u>171,744</u>	<u>134,998</u>
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## NOTES TO THE ABBREVIATED ACCOUNTS - CONTINUED

YEAR ENDED 30 JUNE 1994

	1994	1993		
4. NET INTEREST RECEIVABLE	£	£		
Bank interest receivable	31,460	47,802		
Interest payable on bank loans, overdrafts and other loans repayable within five years, not by instalments	(26,484)	(18,278)		
	<u>4,976</u>	<u>29,524</u>		
5. TAX ON PROFIT ON ORDINARY ACTIVITIES				
U.K. Corporation Tax based on profits for the year at 31.1% (1993 - 31.9%)	186,500	254,000		
Over provision in prior years	-	(4,195)		
	<u>186,500</u>	<u>249,805</u>		
6. TANGIBLE FIXED ASSETS	<u>Freehold Land and Buildings</u>	<u>Plant and Machinery</u>	<u>Motor Vehicles</u>	<u>Total</u>
COST OR VALUATION	£	£	£	£
At 1st July 1993	1,623,620	1,484,519	209,484	3,317,623
Additions	<u>17,696</u>	<u>822,834</u>	<u>145,599</u>	<u>986,129</u>
	1,641,316	2,307,353	355,083	4,303,752
Disposals	-	(5,411)	(98,541)	(103,952)
At 30 June 1994	<u>1,641,316</u>	<u>2,301,942</u>	<u>256,542</u>	<u>4,199,800</u>
At cost	<u>1,211,316</u>	<u>2,301,942</u>	<u>256,542</u>	<u>3,769,800</u>
At valuation	<u>430,000</u>	<u>-</u>	<u>-</u>	<u>430,000</u>
DEPRECIATION				
At 1st July 1993	-	775,644	106,625	882,269
Charge for the year	-	<u>230,465</u>	<u>56,752</u>	<u>287,217</u>
	-	1,006,009	163,377	1,169,486
Eliminated on disposals	-	(2,560)	(65,216)	(67,776)
At 30 June 1994	-	<u>1,003,549</u>	<u>98,161</u>	<u>1,101,710</u>
NET BOOK VALUE				
At 30 June 1994	<u>1,641,316</u>	<u>1,298,393</u>	<u>158,381</u>	<u>3,098,090</u>
At 30 June 1993	<u>1,623,620</u>	<u>708,875</u>	<u>102,859</u>	<u>2,435,354</u>

## NOTES TO THE ABBREVIATED ACCOUNTS - CONTINUED

YEAR ENDED 30 JUNE 1994

## 6. TANGIBLE FIXED ASSETS - continued

The historical cost of freehold land and buildings included above at a valuation of £430,000 was £423,073.

The net book amount of tangible fixed assets includes £79,511 (1993 - £Nil) in respect of assets held under finance lease and hire purchase agreements. Depreciation charged on those assets amounted to £Nil (1993 - £Nil).

## 7. INVESTMENTS

Shares in  
Group  
Company

COST

£

At 30 June 1993 and 30 June 1994

15,000

The investment represents 100% of the share capital of Northern Fertilizers Limited, registered in the United Kingdom. The subsidiary has not traded throughout the year.

## 8. STOCKS

19941993

£

£

Packaging, raw materials, consumables and finished goods

1,124,477556,800

## 9. DEBTORS

Trade debtors

2,125,467

1,410,234

Prepayments

69,152

55,400

ACT recoverable

8,7108,7102,203,3291,474,344

## 10. CREDITORS - amounts falling due within one year

Trade creditors

887,991

870,227

Amounts owed to subsidiary undertaking

14,765

14,765

Corporation tax

251,229

262,710

Other taxation and social security creditors

352,338

264,755

Obligations under finance leases and hire purchase agreements

15,902

-

Other creditors

157,915

62,591

Accruals

570,084475,6292,250,2241,950,677

Trade creditors include some items which may be secured by reservation of legal title to the goods supplied. The amounts secured in this way depend upon the legal interpretation of such contracts and cannot, in the opinion of the directors, be readily ascertained.

## NOTES TO THE ABBREVIATED ACCOUNTS - CONTINUED

YEAR ENDED 30 JUNE 1994

11.	CREDITORS - amounts falling due after more than one year	<u>1994</u>	<u>1993</u>
		£	£
	Obligations under finance leases and hire purchase agreements	<u>59,634</u>	<u>-</u>

All obligations under finance lease and hire purchase agreements are due within five years and are secured on the assets financed by the agreement.

12.	DEFERRED TAXATION	<u>1994</u>	<u>1993</u>
		£	£
	Not Provided for:-		
	Excess of taxation allowances on fixed assets over depreciation charged	101,000	68,000
	Capital gains on revalued properties	<u>40,000</u>	<u>40,000</u>
		<u>141,000</u>	<u>108,000</u>

13.	CALLED UP SHARE CAPITAL	<u>1994</u>	<u>1993</u>
		£	£
	Authorised, allotted and full paid:		
	200,000 Ordinary Shares of £1 each	<u>200,000</u>	<u>200,000</u>

14.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
	Profit for the year	563,687	647,787
	Opening Shareholders' Funds	<u>3,767,268</u>	<u>3,119,481</u>
	Closing Shareholders' Funds	<u>4,330,955</u>	<u>3,767,268</u>

## 15. PENSIONS

The company operates a number of defined contribution pension schemes. The pension cost charged in the profit and loss account represents contributions paid in the year. The assets of the scheme are separate from those of the company and are independently administered.