

J. ROBERTS AND SON LIMITED

YEAR ENDED 31ST JANUARY 1994

DIRECTORS

Mrs L.I. Roberts
Mrs W.J. Chamberlin
A.M.F. Chamberlin

COMPANY SECRETARY

Mrs. W.J. Chamberlin

AUDITORS

Brehner, Allen & Trapp
87 Fleet Road
Fleet, Hants
GU13 8PJ

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J. ROBERTS AND SON LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST JANUARY 1994

The directors submit their annual report and financial statements for the year ended 31st January 1994.

Results and dividends

The loss after tax for the year amounted to £1,930, as shown on page 4.

The directors are unable to recommend the payment of a dividend.

The retained deficit taken to reserves is shown in note 15.

Review of the business

The company is principally engaged in the retail sales of groceries.

The directors are endeavouring to reduce overheads in order to return the company to profitability in the forthcoming year.

Fixed assets

Movements in fixed assets are shown in the notes to the financial statements.

Directors

The directors during the year under review and the shares in the company in which they were beneficially interested throughout the year were:

	Ordinary shares of 50 pence each	3.5% Preference shares of £1 each
Mrs L.I. Roberts	-	-
Mrs W.J. Chamberlin	-	2,995
Mrs L.I. Roberts and Mrs W.J. Chamberlin (jointly as trustees)	200	695
A.M.F. Chamberlin	-	1

In accordance with the articles of association, A.M.F. Chamberlin will retire by rotation and, being eligible, will offer himself for re-election.

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J. ROBERTS AND SON LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST JANUARY 1994

Directors responsibility

Company law requires the directors to prepare financial statements for each financial period 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 statements, the directors are required to:

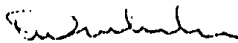
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Auditors

The auditors, Messrs. Brebner, Allen & Trapp, are willing to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Signed by order of the board



Wendy Chamberlin
Secretary

Date: 22nd February 1995

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REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
J. ROBERTS AND SON LIMITED

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention modified by the revaluation of land and buildings and the accounting policies set out on page 7.

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 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 31st January 1994 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Brebner, Allen & Trapp

Brebner, Allen & Trapp

Chartered Accountants and
Registered Auditor

87 Fleet Road
Fleet, Hants
GU13 8PJ

Date: *28th February 1995*

J. ROBERTS AND SON LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST JANUARY 1994

		Notes	1994	1993
TURNOVER	2		£ 402,872	£ 407,196
Cost of sales			(396,713)	(424,712)
GROSS PROFIT			6,159	(17,516)
Administrative expenses			(43,274)	(17,126)
Other operating income			57,860	46,391
OPERATING PROFIT	3		20,745	11,749
Profit on disposal of fixed assets			180	-
PROFIT ON ORDINARY ACTIVITIES			20,925	11,749
Interest payable	5		(13,676)	(29,420)
PROFIT (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION			7,249	(17,671)
Tax on profit (loss) on ordinary activities	6		(9,179)	(130)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	15		(1,930)	(17,801)

The company has neither acquired or commenced any new business activities in the year nor discontinued any operations.

The notes set out on pages 7 to 12 form part of these financial statements

J. ROBERTS AND SON LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31ST JANUARY 1994

	1994	1993
	£	£
Loss for the financial year	(1,930)	(17,801)
Revaluation of freehold properties	-	306,999
Revaluation of leasehold properties	-	<u>149,999</u>
Total recognised gains and losses relating to the year	(1,930)	439,197
Prior year adjustment (as explained in note 7 on page 9)	-	<u>8,744</u>
Total gains and losses recognised since last annual report	<u>(1,930)</u>	<u>447,941</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

	1994 £	1993 £
Reported profit (loss) on ordinary activities before taxation	7,249	(17,671)
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	<u>28,230</u>	-
Historical cost profit (loss) on ordinary activities before taxation	<u>35,479</u>	<u>(17,671)</u>
Historical cost profit (loss) for the year retained after taxation	<u>26,300</u>	<u>(17,801)</u>

The notes set out on pages 7 to 12 form part of these financial statements


J. ROBERTS AND SON LIMITED

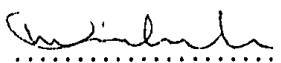
BALANCE SHEET

31ST JANUARY 1994

	Notes	1994 £	1993 £
FIXED ASSETS			
Tangible assets	8	543,571	574,511
CURRENT ASSETS			
Stocks	9	44,773	38,565
Debtors	10	<u>32,432</u>	<u>25,576</u>
		77,205	64,141
CREDITORS: Amounts falling due within one year	11	<u>(193,455)</u>	<u>(164,386)</u>
NET CURRENT LIABILITIES		<u>(116,250)</u>	<u>(100,245)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		427,321	474,266
CREDITORS: Amounts falling due after more than one year	12	<u>(44,404)</u>	<u>(89,419)</u>
		<u>382,917</u>	<u>384,847</u>
CAPITAL AND RESERVES			
Called-up share capital (including non-equity interests)	13	5,276	5,276
Revaluation reserve	15	458,690	486,920
Profit and loss account	15	<u>(81,049)</u>	<u>(107,349)</u>
		<u>382,917</u>	<u>384,847</u>
Total shareholders' funds are made up of:			
Equity interests		372,690	379,671
Non-equity interests		<u>5,176</u>	<u>5,176</u>
		<u>382,917</u>	<u>384,847</u>

Approved by the board on: 22nd February 1995


.....
Michael Chamberlin


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Wendy Chamberlin

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) Directors
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The notes set out on pages 7 to 12 form part of these financial statements

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J. ROBERTS AND SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 1994

1 ACCOUNTING POLICIES

(a) Basis of accounting

These financial statements have been prepared under the historical cost convention modified by the revaluation of land and buildings.

(b) Depreciation

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their estimated useful lives to the business. The annual depreciation rates and methods are as follows:

Owner Occupied	
Freehold Buildings	- 5% straight line on building revaluation
Leasehold Property	- over period of lease
Fixtures	- 15% reducing balance
Motor Vehicles	- 25% reducing balance

The company's freehold investment property has not been depreciated in accordance with the provisions of Statement of Standard Accounting Practice No.19. The directors consider this treatment to be appropriate in order that the financial statements show a true and fair view.

(c) Stock

Stock is valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. Net realisable value is based on estimated selling price, less any further costs of realisation.

(d) Deferred taxation

Provisions are made so that the deferred taxation account represents corporation tax, calculated by the liability method, in respect of the excess of tax allowances given for fixed assets over the depreciation provided.

2 TURNOVER

Turnover is the total amount, excluding value added tax, receivable by the company in the ordinary course of business for goods supplied and for services provided as a principal.

J. ROBERTS AND SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 1994

3 OPERATING PROFIT

Operating profit is stated after charging:	1994	1993
	£	£
Cost of sales including:		
Depreciation	<u>1,494</u>	<u>3,130</u>
Administrative expenses including:		
Depreciation	30,195	1,975
Directors' emoluments - management remuneration	2,950	2,000
Auditors' remuneration for audit services (including expenses)	<u>1,250</u>	<u>1,250</u>
and after crediting:		
Other operating income:		
Rents receivable, less outgoings	<u>57,860</u>	<u>46,391</u>

4 STAFF COSTS

The cost of employing staff, including directors, was:	1994	1993
	£	£
Wages and salaries	49,090	48,321
Social security costs	<u>2,968</u>	<u>2,772</u>
	<u>52,058</u>	<u>51,093</u>
The average weekly number of employees during the year was:	1994	1993
Administration and management	1	1
Sales	<u>8</u>	<u>5</u>
	<u>9</u>	<u>6</u>

5 INTEREST PAYABLE

	1994	1993
	£	£
On borrowings wholly repayable within five years:		
Bank overdraft interest	10,719	18,585
On borrowings not wholly repayable within five years:		
Bank and other loans	<u>2,957</u>	<u>10,835</u>
	<u>13,676</u>	<u>29,420</u>

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J. ROBERTS AND SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 1994

6 TAXATION

	1994 £	1993 £
UK corporation tax at 25% on the profit adjusted for tax purposes	9,179	-
Irrecoverable advance corporation tax	<u>9,179</u>	<u>130</u>

The company is a "close" company within the provisions of the Income and Corporation Taxes Act 1988.

7 PRIOR YEAR ADJUSTMENT

At 31st January 1993, the directors revalued the company's freehold and leasehold properties and adopted the provisions of Statement of Standard Accounting Practice No.19 as noted in Note 1(b). A prior year adjustment arose due to the change of accounting policy, to reverse depreciation previously provided on investment properties.

8 TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property £	Fixtures £	Motor Vehicles £	Total £
COST OR VALUATION					
At 1st February 1993	415,000	150,000	37,607	7,462	610,069
Additions at cost	-	-	748	-	748
At 31st January 1994	<u>415,000</u>	<u>150,000</u>	<u>38,355</u>	<u>7,462</u>	<u>610,817</u>
DEPRECIATION					
At 1st February 1993	-	-	28,218	7,339	35,557
Charge for the year	<u>8,477</u>	<u>21,687</u>	<u>1,494</u>	<u>31</u>	<u>31,689</u>
At 31st January 1994	<u>8,477</u>	<u>21,687</u>	<u>29,712</u>	<u>7,370</u>	<u>67,246</u>
NET BOOK VALUE					
At 31st January 1994	<u>406,523</u>	<u>128,313</u>	<u>8,643</u>	<u>92</u>	<u>543,571</u>
At 31st January 1993	<u>414,999</u>	<u>150,000</u>	<u>9,389</u>	<u>123</u>	<u>574,511</u>

The company's freehold and leasehold properties were revalued at the gross amounts shown above at 31st January 1993 by the directors. The values were obtained from a valuation carried out by JD Wetherman FRICS FRIArb, Chartered Surveyor on the basis of market value with existing use. The surplus arising was transferred to the revaluation reserve.

The revaluation of the properties would, if realised, produce a chargeable gain based on their 1982 market values. These values cannot be calculated with any certainty and therefore no potential tax charge attributable to the revaluation can be disclosed or provided in these financial statements.

J. ROBERTS AND SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 1994

8 TANGIBLE FIXED ASSETS - continued

For assets which have been revalued, a comparison between the present book values and the book values at which the assets would have been carried if they were on a historical cost basis is set out below:

	Revalued Amount 1994 £	Historic Cost Amount 1994 £	Revalued Amount 1993 £	Historic Cost Amount 1993 £
Freehold Properties				
Cost or valuation	415,000	129,376	415,000	129,376
Depreciation to date	<u>8,477</u>	<u>22,831</u>	<u>-</u>	<u>20,897</u>
Net book value	<u>406,523</u>	<u>106,545</u>	<u>415,000</u>	<u>108,479</u>
Leasehold Properties				
Cost or valuation	150,000	9,436	150,000	9,436
Depreciation to date	<u>21,687</u>	<u>9,435</u>	<u>-</u>	<u>9,435</u>
Net book value	<u>128,313</u>	<u>1</u>	<u>150,000</u>	<u>1</u>
9 STOCKS			1994 £	1993 £
Goods for resale			<u>44,773</u>	<u>38,565</u>
10 DEBTORS			1994 £	1993 £
Other debtors			30,754	24,468
Prepayments and accrued income			<u>1,678</u>	<u>1,108</u>
			<u>32,432</u>	<u>25,576</u>
11 CREDITORS: Amounts falling due within one year			1994 £	1993 £
Bank overdrafts			103,399	123,812
Loans			13,066	1,663
U.K. corporation tax			9,179	-
Tax and social security costs			2,347	3,099
Other creditors			53,561	30,899
Accruals and deferred income			11,499	4,509
Dividends payable			<u>404</u>	<u>404</u>
			<u>193,455</u>	<u>164,386</u>
			1994 £	1993 £
Secured creditors included above are as follows:				
Bank overdrafts:				
Fixed charge over the company's freehold property			<u>103,399</u>	<u>123,812</u>

J. ROBERTS AND SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 1994

12 CREDITORS: Amounts falling due after more than one year

	1994 £	1993 £
Loans	<u>44,404</u>	<u>89,419</u>
Amounts payable by instalments:	1994	1993
Other loans-	£	£
Between one and two years	10,237	2,408
Between two and five years	34,166	11,694
In more than five years	<u>-</u>	<u>75,317</u>

The loan from AMF and Mrs WJ Chamberlin, two directors, is under an informal arrangement. Repayments are made as the company funds allow and interest is charged by reference to a variable rate determined by the Nationwide Building Society which is currently 7.7% per annum.

13 SHARE CAPITAL

<u>Equity interests:</u>	Number 1994	Value 1994 £	Number 1993	Value 1993 £
Authorised:				
Ordinary shares of 50 pence each	<u>200</u>	<u>100</u>	<u>200</u>	<u>100</u>
Issued and fully paid:				
Ordinary shares of 50 pence each	<u>200</u>	<u>100</u>	<u>200</u>	<u>100</u>
<u>Non-equity interests:</u>	Number	Value	Number	Value
	1994	1994 £	1993	1993 £
Authorised:				
3.5% Preference shares of £1 each	<u>5,200</u>	<u>5,200</u>	<u>5,200</u>	<u>5,200</u>
Issued and fully paid:				
3.5% Preference shares of £1 each	<u>5,176</u>	<u>5,176</u>	<u>5,176</u>	<u>5,176</u>

Rights attaching to the non-equity shares:

The holders of the 3.5% preference shares of £1 each are not entitled to attend or vote at any general meeting of the company except where the preference dividend is in arrears for more than six months or where the meeting is convened for the purpose of passing a resolution directly affecting the rights of the preference shareholders. In any winding up, the holders of the preference shares have a right to the return of paid up capital and any dividend in arrears but have not right to participate further in any profits or assets.

J. RODANTS AND SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JANUARY 1994

14 CONTINGENT LIABILITY

The holders of the 3.5% preference shares are entitled to received dividends (totalling £181 p.a.). These dividends have not been paid or accrued for a number of years as the company has not had sufficient realised profits available for such purpose.

15 RESERVE MOVEMENTS

	Revaluation Reserve	Profit and Loss Reserve
	£	£
At 1st February 1993	486,920	(107,349)
Loss on ordinary activities after taxation	-	(1,930)
Transfer to profit and loss reserve of revalued depreciation	(28,230)	28,230
At 31st January 1994	<u>458,690</u>	<u>(81,049)</u>

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1994 £	1993 as restated £
Loss for the financial year	(1,930)	(17,801)
Other recognised gains and losses relating to the year ended 31st January 1993 (net)	-	456,998
Net (reduction in) addition to shareholders' funds	(1,930)	439,197
Opening shareholders' funds (deficit)	<u>384,847</u>	<u>(54,350)</u>
Closing shareholders' funds	<u>382,917</u>	<u>384,847</u>