

152

DIRECTORS I
TO THE MEMBERS OF B.J. LE LIMITED

The Directors have pleasure in submitting their Report, together with the Audited Accounts for the year ended 31st December 1981.

Activities of the Company

The principal activities of the Company are those of Precision and Manufacturing Engineers and Engineering Factors.

There has been no change in these activities during the year.

State of Affairs

The Company's affairs are considered to be extremely satisfactory.

Dividends and Reserves

The Directors do not recommend payment of any dividend or any transfer to Reserves.

Directors

The present Directors of the Company (all of whom have been in office throughout the year) together with their respective interests in the shares of the Company at the beginning and end of the year are:-

	<u>At 1.1.81</u>	<u>At 31.12.81</u>
	<u>Ordinary Shares</u>	<u>Ordinary Shares</u>
B.J. Ashpole Esq	2,150	2,150
A.J. Ashpole Esq	1,800	1,300
Mrs B.J. Ashpole	800	800

Fixed Assets

Details of Fixed Assets are shown in Note 3. to the Accounts.

In the opinion of the Directors, the market value of the Company's Land and Buildings is in excess of the Balance Sheet value but, in view of the circumstances of the Company, the Directors consider it to be of no significance to the Members.

Auditors

In accordance with Section 14, Companies Act 1966, a resolution proposing the re-appointment of Messrs Price, Bailey & Partners will be put to the Annual General Meeting.

Southmill Road
Bishop's Stortford
Herts

25th August 1983

BY ORDER OF THE BOARD

A.J. Ashpole
A.J. ASHPOLE
SECRETARY

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the financial statements on pages 3 to 8. Our audit was conducted in accordance with approved Auditing Standards having regard to the matters referred to in the following paragraph.

In common with many businesses of similar size and organisation the Company's system of control and stock valuation is dependent upon the close involvement of the Managing Director, (who is a major shareholder). Where independent confirmation of the completeness of the accounting records was, therefore, not available we have accepted assurances from the Directors that all the Company's transactions have been reflected in the records, and in particular that the Company's Stocks of £15,700 as at 31st December 1980 were properly estimated. but in our opinion proper accounting records were not kept for Stock at that date as required by Section 12, Companies Act 1976. SSAP 12 has not been complied with to the extent that no depreciation has been provided on Freehold Buildings.

Subject to the foregoing, in our opinion the financial statements, which have been prepared under the historical cost convention give a true and fair view of the state of the Company's affairs at 31st December 1981, and of its profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981 insofar as the provisions of those Acts apply to these financial statements.

THE GUILD HOUSE

WATER LANE

BISHOP'S STORTFORD

HERTFORDSHIRE

26th AUGUST 1983

PRICE, BAILEY & PARTNERS
CHARTERED ACCOUNTANTS

B.J. ASHPOLE LIMITED

BALANCE SHEET AS AT 31st DECEMBER 1981

	<u>Note</u>	<u>1981</u>	<u>1980</u>
<u>CAPITAL EMPLOYED:</u>			
<u>SHARE CAPITAL</u>	2	15,000	15,000
<u>UNAPPROPRIATED PROFITS</u>		86,804	83,267
		<u>£101,804</u>	<u>£ 98,267</u>
 <u>EMPLOYMENT OF CAPITAL:</u>			
<u>FIXED ASSETS</u>	3	113,568	146,124
<u>CURRENT ASSETS</u>			
<u>Stock on Hand</u>	1 (b)	7,586	15,700
<u>Sundry Debtors and Prepayments</u>		54,135	58,855
<u>Cash at Bank and in Hand</u>		105,966	36,978
		<u>167,687</u>	<u>111,533</u>
 <u>LESS: CURRENT LIABILITIES</u>			
<u>Directors' Current Accounts</u>		68,172	61,417
<u>Taxation</u>	4	7,157	2,800
<u>Sundry Creditors and Accrued Charges</u>		66,005	55,284
		<u>141,334</u>	<u>119,501</u>
 <u>NET CURRENT ASSETS/(LIABILITIES)</u>		26,353	(7,968)
		139,921	138,156
 <u>DEFERRED TAXATION</u>	5	38,117	39,889
		<u>£101,804</u>	<u>£ 98,267</u>

B.J. ASHPOLE

A.J. ASHPOLE

DIRECTORS

A.J. Ashpole

Approved on:- 25-8-83

B. J. ASHFOLE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 1981

	<u>Note</u>	<u>1981</u>	<u>1980</u>
<u>Profit before Taxation</u>		6,122	23,317
<u>After Charging:</u>			
Directors' Emoluments		22,042	14,743
Auditors Remuneration		2,125	1,975
Depreciation	1(a)	36,243	34,110
Bank Interest Payable		-	4,009
		<u> </u>	
<u>And After Crediting:</u>			
Bank Interest Receivable		7,636	639
Rent Receivable		3,000	6,361
		<u> </u>	
<u>Taxation</u>	4	2,585	4,503
		<u> </u>	
<u>Profit after Taxation</u>		3,537	18,814
<u>Unappropriated Profits at</u> <u>1st January 1981</u>		83,267	64,453
		<u> </u>	<u> </u>
<u>Unappropriated Profits carried forward</u>		£86,804	£ 83,267
		<u> </u>	<u> </u>

E.J. ASHPOLE LIMITED

5.

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 31st DECEMBER 1981

		<u>1981</u>	<u>1980</u>
<u>SOURCE OF FUNDS:</u>			
Profit before Tax		6,122	23,317
Adjustment for Items not involving the movement of funds:			
Depreciation		<u>36,243</u>	<u>34,110</u>
<u>Total Generated from Operations</u>		<u>42,365</u>	<u>57,427</u>
<u>Proceeds of Disposals of Fixed Assets</u>		<u>-</u>	<u>1,675</u>
		<u>42,365</u>	<u>59,102</u>
 <u>APPLICATION OF FUNDS:</u>			
Acquisition of Fixed Assets	3,687		-
Loan Repayments	<u>-</u>		<u>59,000</u>
		<u>3,687</u>	<u>59,000</u>
		<u>38,678</u>	<u>102</u>
 <u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>			
Stocks and Work in Progress	(8,114)		(5,300)
Debtors	(4,720)		(12,410)
Directors' Current Accounts	(6,755)		(32,912)
Creditors	<u>(10,721)</u>		<u>(1,511)</u>
	<u>(30,310)</u>		<u>(52,133)</u>
 <u>Movement in Net Liquid Funds:</u>			
Increase in Cash Balance	<u>68,988</u>		<u>52,235</u>
		<u>£38,678</u>	<u>£ 102</u>

R. J. ASHCOLE LIMITED

NOTES ON AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER 1981

1. ACCOUNTING POLICIES

The accounting policies followed for dealing with items which are judged material or critical in determining profitability for the year and in stating the financial position in these Accounts are:-

(a) Depreciation

No depreciation has been provided on Freehold Land and Buildings. In view of the provisions in the Companies Act 1981 Goodwill at 31st December 1980 has been fully written off in these Accounts. Depreciation has been provided on the remaining Assets with effect from the date of commissioning and has been calculated over their anticipated working life at the following rates:-

Motor Vehicles	25% p.a.	Reducing Instalment
Plant	15% p.a.	Reducing Instalment and Straight Line
Fixtures and Fittings	15% p.a.	Reducing Instalment
Heating Installations	10% p.a.	Reducing Instalment

(b) Stocks

Stocks have been valued by the Directors at their estimate of the lower of cost or net realisable value.

(c) Taxation

The Company is a Close Company within the meaning of the Income and Corporation Taxes Act 1970.

(d) Deferred Taxation

Deferred Taxation is accounted for by the liability method in respect of:-

- (A) The amount by which Capital Allowances claimed exceed depreciation provided in the Accounts.
- (B) The balancing charge which would arise if Freehold Property was sold at the value shown in the Accounts at 31st December 1981.
- (C) Corporation Tax losses carried forward.

R.J. ASHPOLE LIMITED
NOTES ON AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 1981
(CONTINUED)

2. SHARE CAPITAL

1981 and 1982
Authorised
Issued and
Fully Paid

Ordinary Shares of £1 each

5,000

Non-Voting 'A' Ordinary Shares of £1 each

10,000

£15,000

3. FIXED ASSETS

	<u>Goodwill</u>	<u>Freehold Land and Buildings</u>	<u>Plant and Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
<u>Cost</u>					
At 1st January 1981	1,000	31,686	287,516	6,193	326,395
Additions	-	-	521	3,166	3,687
At 31st December 1981	1,000	31,686	288,037	9,359	330,082
<u>Depreciation</u>					
At 1st January 1981	-	-	175,993	4,278	180,271
Provided for the Year	1,000	-	33,972	1,271	36,243
At 31st December 1981	1,000	-	209,965	5,549	216,514
<u>Net Book Value</u>					
At 31st December 1981	£ -	£31,686	£78,072	£3,810	£113,568
At 31st December 1980	£1,000	£31,686	£111,523	£1,915	£145,124

NOTES ON AND FORMING PART OF THE ACCOUNTSFOR THE YEAR ENDED 31st DECEMBER 1981(CONTINUED)4. TAXATION

The charge for taxation is made up as follows:-

	<u>1981</u>	<u>1980</u>
United Kingdom Corporation Tax at 40% on the profits for the year	4,357	2,800
Transfer to Deferred Taxation Account in respect of:		
Accelerated Capital Allowances	(11,996)	(12,905)
Corporation Tax Losses Utilised	10,224	18,727
Stock Relief	-	(4,119)
	<u>(1,772)</u>	<u>1,703</u>
	<u>£ 2,585</u>	<u>£ 4,503</u>

The amount shown for Taxation under Current Liabilities represents:

	<u>1981</u>	<u>1980</u>
United Kingdom		
Corporation Tax payable within one year	2,800	2,800
Corporation Tax payable 1st January 1983	4,357	-
	<u>£ 7,157</u>	<u>£ 2,800</u>

5. DEFERRED TAXATION

The balance on Deferred Taxation Account is made up of a provision at 40% on the following:-

	<u>1981</u>	<u>1980</u>
Accelerated Capital Allowances	37,383	49,379
Investment Grant Received	734	734
Tax Losses	-	(10,224)
	<u>£38,117</u>	<u>£39,889</u>