

Registered Number 896979

England and Wales

**REES INDUSTRIES LIMITED**

**ANNUAL REPORT AND ACCOUNTS**

**YEAR ENDED 30 APRIL 1998**

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**REES INDUSTRIES LIMITED**

**YEAR ENDED 30 APRIL 1998**

**OFFICERS & PROFESSIONAL ADVISERS**

**DIRECTORS**

R.R. Davies Esq.  
Mrs M.E.Davies

**OTHER DIRECTORSHIPS**

R.R.Davies Esq:-  
Rees Metals Limited

**SECRETARY**

Miss S. Davies

**REGISTERED OFFICE**

Saron Works  
Bynea  
Llanelli

**ACCOUNTANTS**

Messrs Rimmer & May  
Chartered Accountants

**BANKERS**

Midland Bank plc  
Llanelli

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**REES INDUSTRIES LIMITED****REPORT OF THE DIRECTORS 1998****Report and Accounts**

The Directors have pleasure in submitting their Annual Report and the accounts of the company for the year ended 30 April 1998.

**Business Review**

The company did not trade during the year. Its profit arose from rental income and Bank Deposit interest and its results for the year were as follows:-

	<u>1998</u>	<u>1997</u>
	£	£
Profit before Taxation	51,569	6,557
Corporation tax	<u>7,989</u>	<u>1,771</u>
Profit for the financial year	<u>43,580</u>	<u>4,786</u>

The results were inflated by a substantial capital gain made by the company on the sale of one of its properties.

**Directors and Directors Interests**

The Directors who served during the year and their interests in the share capital of the company were as follows:-

	<u>Ordinary Shares of £1 each</u>	
	<u>30/4/98</u>	<u>30/4/97</u>
	£	£
R R Davies Esq	1,250	1,250
Mrs M E Davies	-	-

R R Davies Esq retires from the board by rotation and, being eligible, offers himself for re-election.

**Dividends**

The Directors do not propose the payment of a dividend for the year ended 30 April 1998 (1997 NIL).

**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

1. select suitable accounting policies and then apply them consistently;
2. make judgements and estimates that are reasonable and prudent;
3. 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.

**REES INDUSTRIES LIMITED**  
**REPORT OF THE DIRECTORS 1998**

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board of directors on.....12 FEBRUARY.....1999 and signed on their behalf by

.....S. Davies.....S Davies (Secretary)

Saron Works  
Bynea  
Llanelli

**REES INDUSTRIES LIMITED**

**ACCOUNTANTS' REPORT**

**ACCOUNTANTS' REPORT ON THE UNAUDITED FINANCIAL ACCOUNTS TO THE DIRECTORS  
OF REES INDUSTRIES LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial accounts for the year ended 30 April 1998 set out on pages 5 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

*Rimmer & May*

Rimmer and May  
Chartered Accountants  
19 Murray Street  
LLANELLI

Date.....15 FEBRUARY 1999.....

## REES INDUSTRIES LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 1998

	<u>Note</u>	<u>1998</u>	<u>1997</u>
		£	£
Rental Income		5,251	8,912
Administrative expenses		<u>2,170</u>	<u>2,370</u>
Profit on Ordinary Activities before Interest		3,081	6,542
Profit on sale of Fixed Assets		47,353	-
Interest receivable		<u>1,375</u>	<u>20</u>
		51,809	6,562
Interest Payable	2	<u>240</u>	<u>5</u>
Profit on Ordinary Activities before tax	3	51,569	6,557
Taxation on Profit on Ordinary Activities	4	<u>7,989</u>	<u>1,771</u>
Profit for the financial year		<u>43,580</u>	<u>4,786</u>

All of the company's operations are classed as continuing

A statement of the movement on reserves appears as note 10 to the financial statements.

The notes on pages 7 and 8 form an integral part of these accounts

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## REES INDUSTRIES LIMITED

## BALANCE SHEET AS AT 30 APRIL 1998

	<u>Note</u>	<u>1998</u>	<u>1997</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets	5	23,543	31,793
<b>CURRENT ASSETS</b>			
Amounts due from Associated Companies:-			
Rees Metals Ltd	6	72,628	68,661
Directors Current Account	7	1	1
Cash at Bank		46	563
Premium Business Bank Account		54,308	-
Bank Deposit Account		<u>1,510</u>	<u>1,693</u>
		<u>128,493</u>	<u>70,918</u>
<b>CREDITORS</b> Amounts falling due within one year			
Trade Creditors & Accrued expenses		470	940
Corporation Tax payable		7,979	1,764
Llanelli Foundry Limited	8	<u>616</u>	<u>616</u>
		<u>9,065</u>	<u>3,320</u>
<b>NET CURRENT ASSETS</b>		<u>119,428</u>	<u>67,598</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>142,971</u>	<u>99,391</u>
<b>CAPITAL AND RESERVES</b>			
Called Up Share Capital	9	2,500	2,500
Profit and Loss Account	10	<u>140,471</u>	<u>96,891</u>
<b>SHAREHOLDERS FUNDS - ALL EQUITY</b>		<u>142,971</u>	<u>99,391</u>

For the financial year ended 30 April 1998 the company was entitled to exemption from audit under section 249A(1) Companies Act 1985; and no notice has been deposited under section 249B(2). The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Companies Act 1985 so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

Approved by the Board of Directors on.....12 FEBRUARY.....1999 and signed on their behalf by:

.....*R. R. Davies*.....R R Davies (Director)

The notes on pages 7 and 8 form an integral part of these accounts.

**REES INDUSTRIES LIMITED**  
**NOTES TO THE ACCOUNTS**

**1. ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts.

(a) **Basis of Accounting**

The accounts have been prepared under the historical cost accounting rules.

(b) **Depreciation and Amortisation**

Depreciation is calculated so as to write off the cost of tangible fixed assets other than freehold property on the reducing balance method at the following rates:-

Plant and Machinery 25%

Office Equipment 25%

Depreciation on freehold property is calculated so as to write off the cost by equal instalments over its expected useful life of 50 years

**2. INTEREST PAYABLE AND SIMILAR CHARGES**

	<u>1998</u>	<u>1997</u>
	£	£
On Bank Overdraft	<u>240</u>	<u>5</u>

**3. PROFIT BEFORE TAXATION**

	<u>1998</u>	<u>1997</u>
	£	£
Profit before taxation is stated after charging or crediting the following:-		
Depreciation of Tangible Fixed Assets	<u>670</u>	<u>882</u>

**4. TAXATION**

	<u>1998</u>	<u>1997</u>
	£	£
Taxation based on profit for the year:-		
Corporation tax at 21% (1997 23.75%)	7,979	1,764
Interest on overdue tax	<u>10</u>	<u>7</u>
	<u>7,989</u>	<u>1,771</u>

**5. TANGIBLE FIXED ASSETS**

	<u>Freehold</u>	<u>Plant &amp;</u>	<u>Office</u>	<u>Total</u>
	<u>Property</u>	<u>Machinery</u>	<u>Equipment</u>	
Cost:-				
At 1 May 1997	42,862	34,362	2,472	79,696
Addition in year	-	-	-	-
Disposal in year	<u>(10,242)</u>	<u>-</u>	<u>-</u>	<u>(10,242)</u>
At 30 April 1998	<u>32,620</u>	<u>34,362</u>	<u>2,472</u>	<u>69,454</u>
Accumulated Depreciation				
At 1 May 1997	11,142	34,305	2,456	47,903
Charge for year	652	14	4	670
On disposals	<u>(2,662)</u>	<u>-</u>	<u>-</u>	<u>(2,662)</u>
At 30 April 1998	<u>9,132</u>	<u>34,319</u>	<u>2,460</u>	<u>45,911</u>
Net Book Value:-				
At 30 April 1998	<u>23,488</u>	<u>43</u>	<u>12</u>	<u>23,543</u>
At 30 April 1997	<u>31,720</u>	<u>57</u>	<u>16</u>	<u>31,793</u>



**REES INDUSTRIES LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**6. ASSOCIATED COMPANY**

**Rees Metals Limited**

Rees Metals owns 1250 Ordinary Shares in Rees Industries Limited which represents 50% of the total share capital of Rees Industries Limited. R R Davies, a director of Rees Industries Limited, is also a director of Rees Metals Limited.

Transactions with this company during the year were as follows:-

Balance 1 May 1997		68,661
<u>Add</u> Rees Industries Rental Income banked in Rees Metals Ltd	4,251	
Rental of assets	1,000	
Payment made on behalf of Rees Metals Ltd	<u>200</u>	<u>5,451</u>
	74,112	
<u>Less</u> Management Charge	1,000	
Payments made by Rees Metals on behalf of Rees Industries	<u>484</u>	<u>1,484</u>
		<u><u>72,628</u></u>

**7. DIRECTORS CURRENT ACCOUNT**

The directors current accounts are interest free.

The balance on these accounts (which are repayable on demand) comprise the following:-

	<u>1998</u>	<u>1997</u>
	£	£
R R Davies	<u>1</u>	<u>1</u>

The maximum amount due on the above account during the year was as follows:-

R R Davies	<u>1</u>	<u>1</u>
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**8. RELATED PARTIES**

Llanelli Foundry Limited is a company whose director is a brother of Mr R R Davies, a director of Rees Industries Limited. There were no transactions with this company during the year.

**9. SHARE CAPITAL**

	<u>1998</u>	<u>1997</u>
Authorised		
2500 Ordinary Shares of £1 each	<u>2500</u>	<u>2500</u>
Allotted Called Up & Fully Paid		
2500 Ordinary Shares of £1 each	<u>2500</u>	<u>2500</u>

**10. STATEMENT OF MOVEMENT ON RESERVES**

	<u>Profit and Loss Account</u>
	£
At 1 May 1997	96,891
Profit for the financial year	<u>43,580</u>
At 30 April 1998	<u><u>140,471</u></u>