

JOHNSONS (BURSCOUGH) LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 1999



COMPANY NO. 897284
REGISTERED IN ENGLAND AND WALES

JOHNSONS (BURSCOUGH) LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 1999

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JOHNSONS (BURSCOUGH) LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 28 February 1999

PRINCIPAL ACTIVITIES

The principal activity of the company is that of haulage contractors

DIRECTORS AND DIRECTORS' INTERESTS

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	1999	1998
Frank Johnson	500	500
Ronald Johnson	500	500
Brian Johnson	500	500
Alan Johnson	500	500
Ian Johnson	0	0
Mark Johnson	0	0
Allan Johnson	0	0

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 :

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

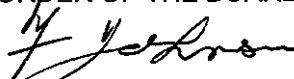
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Haslam & Co will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

In preparing the above report, the directors have taken advantage of special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD


Frank Johnson
Secretary

19 May 1999

AUDITORS' REPORT

TO THE MEMBERS OF JOHNSONS (BURSCOUGH) LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared in accordance with and the accounting policies set out on page 4.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial 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 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 as at 28 February 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Haslam & Co
Haslam & Co.
Chartered Accountants
& Registered Auditors
7 Riversway Business Village
Preston
PR2 2YP

19 May 1999

JOHNSONS (BURSCOUGH) LIMITED

STATEMENT OF ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

TURNOVER

Turnover represents the invoiced value of goods and services supplied by the company net of value added tax and trade discounts.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated at the following annual rates which are intended to write off the cost of those assets over their useful working lives:

Freehold land and buildings	Nil
Motor vehicles	25% on net book value
Fixtures and fittings	15% on net book value

STOCKS

Stocks are stated at the lower of cost and net realisable value.

MOTOR VEHICLE REPAIRS

Costs of repairing and maintaining vehicles, together with costs of tyre replacement are charged to the profit and loss account as they are incurred.

LEASING AND HIRE PURCHASE COMMITMENTS

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rental payable under operating leases are charged to the profit and loss account on the straight line basis over the lease term.

CASH FLOW

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash Flow Statements".

JOHNSONS (BURSCOUGH) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 1999

	Note	1999	1998
TURNOVER	1	830,899	732,394
Cost of sales		<u>628,072</u>	<u>536,463</u>
GROSS PROFIT		202,827	195,931
Administrative expenses		<u>132,554</u>	<u>97,825</u>
OPERATING PROFIT	2	70,273	98,106
Interest receivable and similar income		1,486	315
Interest payable and similar charges		<u>7</u>	<u>1,850</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		71,752	96,571
Taxation	3	11,651	10,053
RETAINED PROFIT FOR THE FINANCIAL YEAR		60,101	86,518
RETAINED PROFIT 1 MARCH 1998		<u>113,181</u>	<u>26,663</u>
RETAINED PROFIT 28 FEBRUARY 1999		<u><u>£173,282</u></u>	<u><u>£113,181</u></u>

CONTINUING OPERATIONS

All of the company's activities in the above two financial years derived from continuing operations.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the above two financial years.

JOHNSONS (BURSCOUGH) LIMITED

BALANCE SHEET AS AT 28 FEBRUARY 1999

	Note	1999	1998
FIXED ASSETS			
Tangible assets	4	225,092	117,066
CURRENT ASSETS			
Stock	5	13,436	17,886
Debtors	6	104,457	99,669
Cash at bank and in hand		<u>76,214</u>	<u>12,757</u>
		194,107	130,312
CREDITORS: amounts falling due within one year	7	<u>117,263</u>	<u>68,021</u>
NET CURRENT ASSETS		<u>76,844</u>	<u>62,291</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		301,936	179,357
CREDITORS: amounts falling due after more than one year	7	<u>126,654</u>	<u>64,176</u>
NET ASSETS		<u><u>£175,282</u></u>	<u><u>£115,181</u></u>
CAPITAL AND RESERVES			
Called up share capital	8	2,000	2,000
Profit and loss account		<u>173,282</u>	<u>113,181</u>
SHAREHOLDERS' FUNDS	9	<u><u>£175,282</u></u>	<u><u>£115,181</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 4 to 9 were approved by the board of directors on 19 May 1999 and were signed on its behalf by:



Director

JOHNSONS (BURSCOUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 1999

1) TURNOVER

The turnover for the year is attributable to the principal activity outlined in the directors' report and was all generated within the United Kingdom.

2) OPERATING PROFIT	1999	1998
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Operating profit is stated after charging:

Directors emoluments	68,419	52,823
Auditors' remuneration	2,500	2,450
Depreciation of owned assets	21,468	11,169
Depreciation on finance leases	37,100	12,086

and after crediting:

Profit on disposal of fixed assets	<u>858</u>	<u>35,578</u>
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3) TAXATION

U K corporation tax	11,678	10,053
Over provision previous year	<u>(27)</u>	<u>0</u>
	<u>11,651</u>	<u>10,053</u>

JOHNSONS (BURSCOUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 1999

4) TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Motor Vehicles	Plant & Machinery	Total
Cost at 1 March 1998	45,365	375,034	16,686	437,085
Additions	0	169,000	739	169,739
Disposals	0	(38,170)	0	(38,170)
Cost at 28 February 1999	<u>45,365</u>	<u>505,864</u>	<u>17,425</u>	<u>568,654</u>
Depreciation at 1 March 1998	0	307,437	12,582	320,019
Charge for year	0	58,534	727	59,261
On disposals	0	(35,718)	0	(35,718)
Depreciation at 28 February 1999	<u>0</u>	<u>330,253</u>	<u>13,309</u>	<u>343,562</u>
Net book value at 29 February 1999	<u>£45,365</u>	<u>£175,611</u>	<u>£4,116</u>	<u>£225,092</u>
Net book value at 28 February 1998	<u>£45,365</u>	<u>£67,597</u>	<u>£4,104</u>	<u>£117,066</u>

The net book value of fixed assets includes an amount of £111,300 (1997: £36,256) in respect of assets held under finance leases and hire purchase contracts. The amount of depreciation in respect of such assets amounted to £37,100 for the year (1998 £12,086).

	1999	1998
5) STOCK		
Tyres and spares	11,200	14,125
Fuel	<u>2,236</u>	<u>3,761</u>
	<u>£13,436</u>	<u>£17,886</u>
6) DEBTORS		
Trade debtors	89,873	86,378
Prepayments	<u>14,584</u>	<u>13,291</u>
	<u>£104,457</u>	<u>£99,669</u>

JOHNSONS (BURSCOUGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 1999

	1999	1998
7) CREDITORS: Amounts falling due within one year:		
Bank overdraft	11,957	2,630
Obligations under finance leases and hire purchase contracts	36,312	4,983
Trade creditors	33,238	31,663
Corporation tax	11,678	10,053
Other taxation and social security	16,109	10,825
Accruals & deferred income	7,969	7,866
	<u>£117,263</u>	<u>£68,020</u>

Amounts falling due after more than one year:

Obligations under finance leases and hire purchase contracts	79,144	0
Directors loan accounts	47,510	64,176
	<u>£126,654</u>	<u>£64,176</u>

The bank overdraft is secured by directors guarantee and a legal charge on the land and buildings owned by the company.

8) CALLED-UP SHARE CAPITAL

Authorised:		
2,000 Ordinary shares of £1 each	<u>£2,000</u>	<u>£2,000</u>
Allotted, called-up and fully paid:		
2,000 Ordinary shares of £1 each	<u>£2,000</u>	<u>£2,000</u>

9) RECONCILIATION OF MOVEMENTS ON SHAREHOLDERS' FUNDS

Profit for the financial year after taxation	60,101	86,518
Opening shareholders funds at 1 March 1998	<u>115,181</u>	<u>28,663</u>
Closing shareholders funds at 28 February 1999	<u>£175,282</u>	<u>£115,181</u>

JOHNSONS (BURSCOUGH) LIMITED

For directors use only

TRADING AND PROFIT AND LOSS ACCOUNT**FOR THE YEAR ENDED 28 FEBRUARY 1999**

	1999	1998
Sales	830,899	732,394
COST OF SALES		
Fuel and oil	257,758	223,505
Spares and renewals	50,518	48,460
Hired haulage	15,738	6,853
Licences and insurances	65,229	66,185
Drivers expenses	11,595	11,451
Wages	167,973	156,754
Depreciation	59,261	23,255
	<u>628,072</u>	<u>536,463</u>
GROSS PROFIT	202,827	195,931
Interest receivable	<u>1,486</u>	<u>315</u>
	204,313	196,246
LESS EXPENSES		
Directors remuneration	67,219	52,103
Equipment leasing	35,791	47,682
Rates, water,heat and light	5,317	4,557
Telephone, printing and advertising	10,720	12,525
Sundry trade expenses	2,803	2,928
Legal and professional	0	486
Audit and accountancy charges	2,500	2,850
Pension scheme	1,200	720
Bank charges	2,108	2,455
Bank interest	7	1,850
Hire purchase and lease finance charges	5,754	7,097
(Profit)/loss on sale of assets	<u>(858)</u>	<u>(35,578)</u>
	<u>132,561</u>	<u>99,675</u>
OPERATING PROFIT	<u><u>£71,752</u></u>	<u><u>£96,571</u></u>