

JOHN LAITHWAITE ASSOCIATES LIMITED

DIRECTOR'S REPORT YEAR ENDED 30 APRIL 1991

1094176

The Directors present their Annual Report on the affairs of the Company, together with the Audited Financial Statements for the above year.

1 RESULTS AND DIVIDENDS

The net Loss of the Company for the year after taxation & extraordinary items was £(148,268), (1990 loss £ 70,883).

The Directors recommend that this be deducted from the retained earnings at the beginning of the year and that the balance of £525,253 be carried forward.

The Directors do not recommend the payment of a dividend.

2 REVIEW OF THE BUSINESS

The Company's principal activity during the year was that of Laundry Equipment Suppliers.

Fixed assets have been acquired for use in the Company's business.

3 DIRECTORS

The Directors of the Company during the year and their beneficial interests in the issued share capital of the Company at the beginning and end of the year were:

	<u>Ordinary Shares of £1 each</u>	
	<u>30 April 1991</u>	<u>30 April 1990</u>
J Laithwaite	105,000	105,000
J Laithwaite (Trustee)	45,000	45,000
S R Laithwaite	-	-
R Pickles (resigned 17/5/91)	-	-
E J Warr	-	-
J H Smiles	-	-

The Director retiring by rotation is Mrs.S.R.Laithwaite who, being eligible, offers herself for re-election.

4 AUDITORS

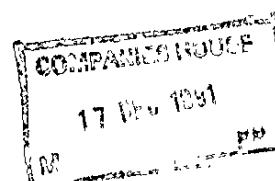
In accordance with Section 384 of the Companies Act 1985, a resolution proposing the re-appointment of Holden Harrison and Company, Chartered Accountants, as Auditors to the Company will be put to the next Annual General Meeting.

BY ORDER OF THE BOARD

J.LAITHWAITE

CHAIRMAN

27 September 1991



AUDITORS REPORT TO THE DIRECTORS OF JOHN LAITHWAITE ASSOCIATES LIMITED
PURSUANT TO PARAGRAPH 10 OF SCHEDULE 8 TO THE COMPANIES ACT 1989

We have examined the attached Abbreviated Financial Statements together with the Full Financial Statements for the period ended 30 April 1991. The scope of our work for the purpose of this report was limited to confirming that the Directors are entitled to deliver Abbreviated Financial Statements and that the Abbreviated Financial Statements have been properly prepared from the Full Financial Statements.

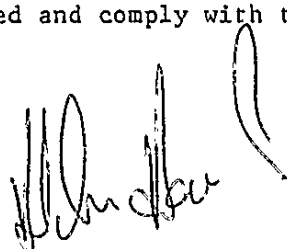
In our opinion the Directors are entitled under Sections 247 to 249 of the Companies Act 1989 to deliver Abbreviated Statements in respect of the year ended 30 April 1991 and the attached Abbreviated Financial Statements have been properly prepared in accordance with Schedule 8 to that Act.

We reported, as Auditors of the Company, to the members on 27 September 1991 on the Company's Full Financial Statements prepared under Section 227 of the Companies Act 1989 for the year ended 30 April 1991 and our audit opinion was as follows,

We have audited the Financial Statements of the Company attached hereto in accordance with Auditing Standards.

In our opinion the Financial Statements give a true and fair view of the state of the Company's affairs at 30 April 1991 and of its Loss and Source and Application of Funds for the Year then ended and comply with the Companies Act 1989.

Holden Harrison and Co.



27 September 1991

JOHN LAITHWAITE ASSOCIATES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 1991

	<u>Notes</u>	<u>1991</u> £	<u>1990</u> £
GROSS (LOSS) PROFIT		(50,341)	(98,831)
Interest Receivable	-		15,546
Property Rent Received	4,591		4,402
		<hr/> 4,591	<hr/> 19,948
(LOSS) PROFIT ON ORDINARY ACTIVITIES	2	<hr/> 54,932	<hr/> (78,883)
Taxation on Ordinary Activities	5	47,000	(8,000)
(LOSS) PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<hr/> 7,932	<hr/> (70,883)
EXTRAORDINARY LOSS	6	156,000	-)
		<hr/> (148,068)	<hr/> (70,883)
RETAINED PROFITS BROUGHT FORWARD		673,321	744,204
RETAINED PROFITS CARRIED FORWARD		<hr/> £ 525,253	<hr/> £ 673,321

JOHN LAITHWAITE ASSOCIATES LIMITED

ABBREVIATED BALANCE SHEET 30 APRIL 1991

	<u>Notes</u>	<u>1991</u> £	<u>1990</u> £
FIXED ASSETS			
Tangible Assets	7	1,283,180	1,401,690
Investment In Subsidiaries	8	86,924	97,924
		<hr/>	<hr/>
		1,370,104	1,499,614
CURRENT ASSETS			
Stock and Work-in-Progress	9	1,167,605	1,523,398
Debtors	10	1,334,597	1,698,394
Cash at Bank and in Hand		3,886	4,230
		<hr/>	<hr/>
		2,506,088	3,226,022
CREDITORS			
Amounts due within one year	11	2,344,038	3,102,732
		<hr/>	<hr/>
NET CURRENT ASSETS		162,050	123,290
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<hr/>	<hr/>
		1,532,154	1,622,904
CREDITORS			
Amounts due in more than one year	11	368,498	311,180
		<hr/>	<hr/>
		£ 1,163,656	£ 1,311,724
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Share Capital	13	150,000	150,000
Profit and Loss Account		525,253	673,321
Revaluation Reserve	7	488,403	488,403
		<hr/>	<hr/>
		£ 1,163,656	£ 1,311,724
		<hr/>	<hr/>

As a medium sized company we have relied upon the exemptions contained in Schedule 8 Part 1 of the Companies Act 1989

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JOHN LAITHWAITE ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1991

1 ACCOUNTING POLICIES

The following accounting policies have been consistently applied in dealing with items which are considered material in relation to the Company's Financial Statements.

- a. The Accounts have been prepared under the Alternative Accounting Rules as set out in the 4th Schedule to the Companies Act 1985.
- b. Depreciation is provided on tangible assets so as to write off the cost over their estimated useful lives. The following rates apply:-

Short Leasehold Property	By equal installments over remaining term.
Freehold Property	2% on cost or valuation
Improvement Expenditure	20% on cost
Fixtures and Fittings :	- General 8 Year Straight Line
	- Computer 25% Written Down Value
Vehicles	25% on written down value
- c. Stock and Work in Progress is consistently valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.
Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.
- d. No potential liability for taxation deferred by reason of timing differences in the taxation and accounting treatment of depreciation of Fixed Assets is necessary in the accounts.
No provision has been made in respect of Revaluation of Freehold Property.
The potential Taxation liability upon a future sale of the property would be dependant upon a formal valuation of the property at the 31 March 1982.
- e. Exchange differences arising on the translation of Trading Activities are dealt with in the Revenue Account.

2 OPERATING PROFIT

The operating profit is stated after charging:

	<u>1991</u>	<u>1990</u>
	£	£
Depreciation of Tangible Fixed Assets	189,688	209,261
Auditors Remuneration	15,000	12,000
Staff Costs	1,766,638	1,771,487
Bank and Loan Interest	268,197	240,637
Hire Purchase Interest	32,494	33,162

JOHN LAITHWAITE ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1991

3 STAFF COSTS

	<u>1991</u>	<u>1990</u>
	£	£
Wages and salaries	1,580,454	1,534,116
Social Security Costs	140,015	136,245
Other Pension Costs	46,169	101,126
	<u>1,766,638</u>	<u>1,771,487</u>
AVERAGE NUMBER OF EMPLOYEES		
Management	10	10
Administration	32	41
Selling & Production	98	95
	<u>140</u>	<u>146</u>

4 DIRECTORS' REMUNERATION

	<u>1991</u>	<u>1990</u>
	£	£
Directors remuneration including pension contributions	215,979	267,251
Compensation For Loss of office	-	5,030
Chairman and Highest Paid Director	35,000	81,667
	No.	No.
Others: £40,001 - £45,000	-	3
£35,001 - £40,000	-	1
£30,001 - £35,000	5	-
£25,001 - £30,000	-	1
£20,001 - £25,000	-	-
£15,001 - £20,000	-	-

5 TAXATION

The tax charge on the profit on ordinary activities was as follows:-

	<u>1991</u>	<u>1990</u>
	£	£
Corporation Tax based on the adjusted results of the year.	47,000	-
Deferred Taxation	-	(8,000)
Interest on late payment	-	-
	<u>47,000</u>	<u>(8,000)</u>

6 EXTRAORDINARY LOSS

Provision for the loss on Loans to associated companies	145,000	-
Loss on Investments	11,000	-
	<u>156,000</u>	<u>-</u>

JOHN LAITHWAITE ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1991

7 FIXED ASSETS

Tangible Assets

	Short Leasehold Property £	Freehold Property £	Improvement Expenditure £
COST or VALUATION			
At 1 May 1990 at Cost	11,000	831,939	237,588
Additions	-	-	20,481
Disposals	-	-	-
At 30 April 1991	11,000	831,939	258,069
DEPRECIATION:			
At 1 May 1990	11,000	20,193	130,989
Attributable to Disposals	-	-	-
Provided for the Year	-	16,638	39,463
At 30 April 1991	11,000	36,831	170,452
NET BOOK VALUE			
At 30 April 1991	-	795,108	87,617
At 30 April 1990	-	811,746	106,399
	Fixtures £	Vehicles £	Total £
COST:			
At 1 May 1990	385,020	566,350	2,031,897
Additions	7,584	136,177	164,242
Disposals	-	(211,959)	(211,959)
At 30 April 1991	392,604	490,568	1,984,180
DEPRECIATION:			
At 1 May 1990	214,079	253,946	630,207
Attributable to Disposals	-	(119,003)	(119,003)
Provided for the Year	44,916	88,779	189,796
At 30 April 1991	258,995	223,722	701,000
NET BOOK VALUE			
At 30 April 1991	133,609	266,846	1,283,180
At 30 April 1990	170,941	312,404	1,401,690

Freehold Property with an historical cost of £206,597 was revalued by Messrs. Walker Singleton, Chartered Surveyors on 6 October 1989 at £695,000.

JOHN LAITHWAITE ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1991

8 INVESTMENT IN SUBSIDIARIES

	<u>1991</u> £	<u>1990</u> £
Cost of shares in subsidiary companies	86,924	97,924

9 STOCKS

	<u>1991</u> £	<u>1990</u> £
Stock of Goods for Resale	1,167,605	1,523,398

10 DEBTORS

	<u>1991</u> £	<u>1990</u> £
Amounts due within one year:-		
Trade Debtors	542,006	563,299
Amounts Owed by Connected Companies	673,118	1,003,161
Prepayments and Accrued Income	119,473	126,457
Directors loan Account	-	5,477
Amounts Due From Subsidiaries	-	-
	<u>1,334,597</u>	<u>1,698,394</u>

11 CREDITORS

	<u>1991</u> £	<u>1990</u> £
Amounts due within one year:-		
Bank Loans and Overdrafts	798,704	1,238,328
Trade Creditors	822,850	1,302,270
Amounts Owed to Connected Companies	213,833	58,629
Other Creditors	44,476	8,423
Taxation	56,000	9,000
Other Taxation and Social Security	94,698	96,918
Accruals	171,083	212,253
Hire Purchase	100,430	133,518
Amounts Due to Subsidiaries	41,964	43,393
	<u>2,344,038</u>	<u>3,102,732</u>
Amounts due after more than one year:-		
Unsecured Loans	142,220	67,220
Bank Loans	158,712	167,714
Hire Purchase	67,566	76,246
Deferred Taxation	-	-
	<u>368,498</u>	<u>311,180</u>
	<u>2,712,536</u>	<u>3,413,912</u>

The Companies Bankers hold as security a fixed and floating charge over the assets and a legal mortgage on the Deeds relating to the Company's Freehold Property at Ripponden.

12 PROVISION FOR LIABILITIES AND CHARGES

The Company has given a guarantee to the Bankers of another Company in which the Directors have declared an interest.

JOHN LAITHWAITE ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 1991

13 CALLED UP SHARE CAPITAL

	<u>1991</u> £	<u>1990</u> £
Authorised: Ordinary Shares of £1 Each	150,000	150,000
Allotted, Issued and Fully Paid Ordinary Shares of £1 Each	150,000	150,000

14 DIRECTORS' INTERESTS

During the year the Company has had a considerable amount of trade at arms length with other Companies in which the Directors have declared an interest.