

Registrar

Registration number 1201735

**JOHN ARTIS LIMITED**

**Financial Statements**

**for the year ended 31 March 2005**



## **JOHN ARTIS LIMITED**

### **Company information**

Directors	J A Artis C G Weeden I C Jelley G W B Director Limited
Secretary	GWB Secretary Limited
Company number	1201735
Registered office	Crossley House Belle Vue Park Hopwood Lane Halifax HX1 5EB
Auditors	B M Howarth West House King Cross Road Halifax West Yorkshire HX1 1EB
Bankers	Barclays Bank Plc 28 George Street Luton LU1 2AE
Solicitors	Halliwell Landau St James's Court Brown Street Manchester M2 2JF

# **JOHN ARTIS LIMITED**

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# JOHN ARTIS LIMITED

## Directors' report for the year ended 31 March 2005

The directors present their report and the financial statements for the year ended 31 March 2005.

### Principal activity

The principal activity of the company is the import and wholesale distribution of tableware to the catering industry.

There was a profit for the year after taxation amounting to £577,015 (2004: £589,800). The directors recommend the payment of dividends amounting to £190,000 (2004: £470,000), leaving £387,015 to be transferred to reserves.

The directors consider the results of the company for the year, and its financial position at the end of the year, to be satisfactory and expect it to continue to be so.

### Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	2005	2004
J A Artis	-	-
C G Weeden	-	-
I C Jelley	-	-
G W B Director Limited	-	-

None of the directors who held office at the year end and their families had any interests in the shares and options of the ultimate parent undertaking, Gartland Whalley and Barker plc, as at 1 April 2004 and 31 March 2005.

### 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 the affairs of the company and of the profit or loss of the company for that year. In preparing these 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.

**JOHN ARTIS LIMITED**

**Directors' report  
for the year ended 31 March 2005**

**Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that B M Howarth be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 9 November 2005 and signed on its behalf by

A handwritten signature in black ink, appearing to read "Bill Heath". The signature is written in a cursive, flowing style.

**On behalf of GWB Director Limited**

## **JOHN ARTIS LIMITED**

### **Independent auditors' report to the shareholders of John Artis Limited**

We have audited the financial statements of John Artis Limited for the year ended 31 March 2005 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained within the directors' report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements, our responsibilities do not extend to any other information.

#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 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.

**JOHN ARTIS LIMITED**

**Independent auditors' report to the shareholders of John Artis Limited (continued)**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'B M Howarth', is written in a cursive style.

**B M Howarth**  
**Chartered Accountants and**  
**Registered Auditors**

**West House**  
**King Cross Road**  
**Halifax**  
**West Yorkshire**  
**HX1 1EB**

**9 November 2005**

# JOHN ARTIS LIMITED

## Profit and loss account for the year ended 31 March 2005

		2005	2004
	Notes	£	£
<b>Turnover</b>	<b>2</b>	7,368,107	7,396,880
Cost of sales		(4,481,400)	(4,653,419)
<b>Gross profit</b>		<u>2,886,707</u>	<u>2,743,461</u>
Distribution costs		(302,493)	(284,703)
Administrative expenses		(1,748,020)	(1,602,526)
Other operating income		3,832	1,151
<b>Operating profit</b>	<b>3</b>	<u>840,026</u>	<u>857,383</u>
Profit on sale of fixed assets		4,529	4,789
<b>Profit on ordinary activities before interest</b>		<u>844,555</u>	<u>862,172</u>
Interest payable and similar charges	<b>4</b>	(16,016)	(13,915)
<b>Profit on ordinary activities before taxation</b>		<u>828,539</u>	<u>848,257</u>
Tax on profit on ordinary activities	<b>7</b>	(251,524)	(258,457)
<b>Profit on ordinary activities after taxation</b>		<u>577,015</u>	<u>589,800</u>
Dividends	<b>8</b>	(190,000)	(470,000)
<b>Retained profit for the year</b>		<u>387,015</u>	<u>119,800</u>
Retained profit brought forward		1,951,605	1,831,805
<b>Retained profit carried forward</b>		<u><u>2,338,620</u></u>	<u><u>1,951,605</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.



# JOHN ARTIS LIMITED

## Balance Sheet as at 31 March 2005

		2005	2004
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	9	213,738	241,400
<b>Current assets</b>			
Stocks		907,892	753,988
Debtors	10	2,398,287	2,289,784
Cash at bank and in hand		201,906	-
		<u>3,508,085</u>	<u>3,043,772</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,277,680)</u>	<u>(1,205,333)</u>
<b>Net current assets</b>		<u>2,230,405</u>	<u>1,838,439</u>
<b>Total assets less current liabilities</b>		<u>2,444,143</u>	<u>2,079,839</u>
<b>Creditors: amounts falling due after more than one year</b>	12	<u>(65,023)</u>	<u>(87,734)</u>
<b>Net assets</b>		<u>2,379,120</u>	<u>1,992,105</u>
<b>Capital and reserves</b>			
Called up share capital	14	20,000	20,000
Share premium account	15	20,500	20,500
Profit and loss account	15	2,338,620	1,951,605
<b>Total equity Shareholders' funds</b>	16	<u>2,379,120</u>	<u>1,992,105</u>

The financial statements were approved by the Board on 9 November 2005 and signed on its behalf by:



On behalf of GWB Director Limited

# **JOHN ARTIS LIMITED**

## **Notes to the financial statements for the year ended 31 March 2005**

### **1. Accounting policies**

#### **Basis of preparation**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### **Turnover**

Turnover represents the total invoice value, excluding value added tax and trade discounts, of sales made during the year.

#### **Deferred taxation**

Deferred taxation is recognised on a full provision basis on all timing differences which have originated, but not reversed, at the balance sheet date. Timing differences represent accumulated differences between the company's taxable profit and its financial profit and arise primarily from the difference between accelerated capital allowances and depreciation.

#### **Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	20% on cost
Fixtures, fittings and equipment	-	25% on written down value
Motor vehicles	-	33% on written down value

#### **Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **Stock**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### **Pensions**

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

# JOHN ARTIS LIMITED

## Notes to the financial statements for the year ended 31 March 2005

### Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

### Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts. The only group of undertakings for which group accounts have been drawn up including the company is that headed by Gartland Whalley and Barker plc, registered in England and Wales, which prepared accounts to 31 October 2004. Copies of group accounts of Gartland Whalley and Barker plc can be obtained from Crossley House, Belle Vue Park, Hopwood lane, Halifax, HX1 5EB.

### 2. Turnover

Turnover is attributable to the principal activity as set out in the directors' report on page 1 and is analysed as follows:

	2005 £	2004 £
<b>Geographical market</b>		
United Kingdom	7,215,181	7,277,731
Rest of Europe	151,672	118,797
Rest of the World	1,254	352
	<u>7,368,107</u>	<u>7,396,880</u>

### 3. Operating profit

Operating profit is stated after charging:

	2005 £	2004 £
Depreciation and other amounts written off tangible assets (note 9)	111,029	89,963
Auditors' remuneration	<u>3,750</u>	<u>6,943</u>

### 4. Interest payable and similar charges

	2005 £	2004 £
On bank and other loans and overdrafts	7,189	2,014
On hire purchase contracts	8,827	8,262
Other interest	-	3,639
	<u>16,016</u>	<u>13,915</u>

# JOHN ARTIS LIMITED

## Notes to the financial statements for the year ended 31 March 2005

### 5. Employees

<b>Number of employees</b>	<b>2005</b>	<b>2004</b>
The average monthly numbers of employees (including the directors) during the year were:	<b>Number</b>	<b>Number</b>
Selling and distribution	17	14
Administration	12	12
	<u>29</u>	<u>26</u>
<b>Employment costs</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Wages and salaries	779,678	662,956
Other pension costs	64,073	59,563
	<u>843,751</u>	<u>722,519</u>
<b>Directors' emoluments</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Remuneration and other emoluments	<u>272,821</u>	<u>253,691</u>
	<b>Number</b>	<b>Number</b>
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>3</u>	<u>3</u>
<b>Highest paid director</b>	<b>£</b>	<b>£</b>
Amounts included above:		
Emoluments and other benefits	132,341	118,183
Pension contributions	10,087	9,702
	<u>142,428</u>	<u>127,885</u>

### 6. Pension costs

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers.

# JOHN ARTIS LIMITED

## Notes to the financial statements for the year ended 31 March 2005

### 7. Tax on profit on ordinary activities

Analysis of charge in period	2005 £	2004 £
<b>Current tax</b>		
UK corporation tax at 30% (2004 - 30%)	<u>251,524</u>	<u>258,457</u>

#### Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK at 30% (2004: 30%). The differences are explained below:

	2005 £	2004 £
Profit on ordinary activities before taxation	<u>828,539</u>	<u>937,840</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (31 March 2004 : 30%)	248,562	281,352
<b>Effects of:</b>		
Expenses not deductible for tax purposes	-	(5,308)
Capital allowances for period in excess of depreciation	-	(68)
Late adjustments to accounts	2,962	-
Income not taxable	-	1,368
Roundings	-	28
Current tax charge for period	<u>251,524</u>	<u>277,372</u>

### 8. Dividends

	2005 £	2004 £
Equity dividends proposed of £9.50 per share (2004: £23.50)	<u>190,000</u>	<u>470,000</u>

# JOHN ARTIS LIMITED

## Notes to the financial statements for the year ended 31 March 2005

9. Tangible fixed assets	Plant machinery and motor	Fixtures fittings and showroom	Total
	£	£	£
<b>Cost</b>			
At 1 April 2004	392,374	208,966	601,340
Additions	71,230	26,520	97,750
Disposals	(45,583)	(2,509)	(48,092)
At 31 March 2005	418,021	232,977	650,998
<b>Depreciation</b>			
At 1 April 2004	193,034	166,906	359,940
On disposals	(31,757)	(1,952)	(33,709)
Charge for the year	91,593	19,436	111,029
At 31 March 2005	252,870	184,390	437,260
<b>Net book values</b>			
At 31 March 2005	165,151	48,587	213,738
At 31 March 2004	199,340	42,060	241,400

The figures stated above include assets held under finance leases and hire purchase contracts with a net book value of £132,240 (2004: £162,345), and a depreciation charge for the year of £72,589 (2004: £22,578).

10. Debtors	2005	2004
	£	£
Trade debtors	1,009,154	1,085,892
Amounts owed by group undertakings	1,267,902	1,095,325
Deferred tax asset	19,704	20,100
Prepayments and accrued income	101,527	88,467
	2,398,287	2,289,784

# JOHN ARTIS LIMITED

## Notes to the financial statements for the year ended 31 March 2005

<b>11. Creditors: amounts falling due within one year</b>	<b>2005 £</b>	<b>2004 £</b>
Bank overdraft	-	103,683
Net obligations under finance leases and hire purchase contracts	72,424	75,438
Trade creditors	672,686	443,742
Amounts owed to group undertaking	-	77,595
Corporation tax	123,832	57,907
Other taxes and social security costs	135,964	138,393
Other creditors	-	69,975
Accruals and deferred income	272,774	238,600
	<u>1,277,680</u>	<u>1,205,333</u>

The bank overdraft is secured by a fixed and floating charge over the assets of the company and its immediate parent undertaking, Artis Holdings Limited.

The obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

<b>12. Creditors: amounts falling due after more than one year</b>	<b>2005 £</b>	<b>2004 £</b>
Net obligations under finance leases and hire purchase contracts	<u>65,023</u>	<u>87,734</u>
Repayable after five years	<u>-</u>	<u>34,687</u>

The obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

### 13. Provision for deferred taxation

The deferred tax asset of £19,704 (2004: £20,000) relates to capital allowances in excess of depreciation.

# JOHN ARTIS LIMITED

## Notes to the financial statements for the year ended 31 March 2005

<b>14. Share capital</b>		<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
<b>Authorised</b>			
20,000 Ordinary shares of £1 each		<u>20,000</u>	<u>20,000</u>
<b>Allotted, called up and fully paid</b>			
20,000 Ordinary shares of £1 each		<u>20,000</u>	<u>20,000</u>
<b>15. Reserves</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 April 2004</b>	20,500	1,951,605	1,972,105
Retained profit for the year		387,015	387,015
<b>At 31 March 2005</b>	<u>20,500</u>	<u>2,338,620</u>	<u>2,359,120</u>
<b>16. Reconciliation of movements in shareholders' funds</b>		<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
Profit for the year		577,015	589,800
Dividends		(190,000)	(470,000)
		<u>387,015</u>	<u>119,800</u>
Opening shareholders' funds		1,992,105	1,872,305
Closing shareholders' funds		<u>2,379,120</u>	<u>1,992,105</u>
<b>17. Financial commitments</b>			

At 31 March 2005 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Between one and five years	37,800	-
In over five years	<u>172,000</u>	<u>172,000</u>
	<u>209,800</u>	<u>172,000</u>



# JOHN ARTIS LIMITED

## Notes to the financial statements for the year ended 31 March 2005

18. Capital commitments	2005 £	2004 £
Contracted for but not provided in the financial statements	-	1,000

### 19. Contingent liabilities

The company has guaranteed loans and overdrafts due to Barclays Bank plc by its immediate parent undertaking, Artis Holdings Limited. At 31 March 2005 these amounted to £750,000 (2004: £1,059,145).

### 20. Related party transactions

The company rents a building from JKE Services Limited, a company of which J A Artis is a director. The rental payments are determined on an arms length basis at a rate of £172,000 per annum.

### 21. Controlling related parties

Artis Holdings Limited, a company registered in England and Wales, is the company's controlling related party by virtue of its 100% shareholding in the company. The ultimate controlling related party and ultimate parent undertaking of the company is Gartland Whalley and Barker plc as a result of its majority shareholding in the company's intermediate parent undertaking, Arqual Limited.