

REGISTRAR'S COPY

ROBERT PRICE (BUILDERS MERCHANTS) LIMITED  
COMPANY NUMBER 1235332

FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 30 SEPTEMBER 1995



ROBERT PRICE (BUILDERS MERCHANTS) LIMITED

DIRECTORS: W A Godfrey  
T L Pike  
H J Ingram  
M C Jones (appointed 30 April 1995)

SECRETARY: T L Pike

REGISTERED OFFICE: Park Road  
Abergavenny  
Monmouthshire  
NP7 5PF

BANKERS: Lloyds Bank plc  
Cross Street  
Abergavenny  
Monmouthshire  
NP7 5HB

AUDITORS: Roger Peachey & Partners  
Chartered Accountants  
Registered Auditor  
22 Chepstow Road  
Newport  
South Wales  
NP9 8EA

ROBERT PRICE (BUILDERS MERCHANTS) LIMITED

FINANCIAL STATEMENTS FOR THE  
YEAR ENDED 30 SEPTEMBER 1995

INDEX

Page

1-2	Report of the Directors
3	Report of the Auditors
4	Profit and Loss Account
5	Balance Sheet
6	Cash Flow Statement
7-13	Notes to the Financial Statements

ROBERT PRICE (BUILDERS MERCHANTS) LIMITEDREPORT OF THE DIRECTORS

The directors submit their report and audited accounts for the year ended 30 September 1995.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of builders and plumbers merchants.

REVIEW OF THE BUSINESS

A summary of the results of the year's trade is given on page 4 of the financial statements.

RESULTS AND DIVIDENDS

The directors do not recommend the payment of a dividend for the year. The retained profit of the company for the year was £228,125 (1994 - £231,475 profit).

The directors recommend that this be added to the retained earnings at the beginning of the year and that the balance of £2,242,702 be carried forward.

DIRECTORS

The directors in office in the year and their interests in the fully paid £1 ordinary shares were as follows:

	<u>30 September 1995</u>	<u>1 October 1994</u>
W A Godfrey	-	-
T L Pike	-	-
H J Ingram	-	-
M C Jones (appointed 30 April 1995)	-	-

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:

- \* select suitable accounting policies and then apply them consistently;
- \* make judgements and estimates that are reasonable and prudent; and
- \* 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.

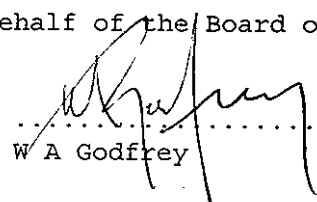
ROBERT PRICE (BUILDERS MERCHANTS) LIMITEDREPORT OF THE DIRECTORS (CONTINUED)TANGIBLE FIXED ASSETS

Information relating to changes in tangible fixed assets is given in note 10 to the Financial Statements.

AUDITORS

The auditors, Roger Peachey & Partners are willing to continue in office and a resolution concerning their re-appointment and remuneration will be submitted to the annual general meeting.

On behalf of the Board of Directors

 ..... - Director  
W A Godfrey

..... - Date  
28th November 1996

AUDITORS' REPORT TO THE SHAREHOLDERS OF  
ROBERT PRICE (BUILDERS MERCHANTS) LIMITED

We have audited the financial statements on pages 4 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

**Respective responsibilities of directors and auditors**

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those 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 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.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Roger Peachey & Partners  
Chartered Accountants  
Registered Auditor  
22 Chepstow Road  
Newport  
South Wales  
NP9 8EA

28th November 1996

ROBERT PRICE (BUILDERS MERCHANTS) LIMITEDPROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 SEPTEMBER 1995

	Note	<u>1995</u> £	<u>1994</u> £
TURNOVER	2	20,016,155	15,164,285
Cost of Sales		15,817,626	11,830,650
<b>GROSS PROFIT</b>		<b>4,198,529</b>	<b>3,333,635</b>
Administrative Expenses	3-4	3,863,895	3,207,329
<b>OPERATING PROFIT</b>	5-6	<b>334,634</b>	<b>126,306</b>
Interest Receivable		25,333	47,770
Other Operating Income	7	12,226	169,295
		372,193	343,371
Interest Payable	8	16,411	9,655
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>355,782</b>	<b>333,716</b>
Taxation	9	127,657	102,241
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<b>228,125</b>	<b>231,475</b>

**STATEMENT OF RETAINED PROFIT**

Retained Profit Brought Forward	2,014,577	1,783,102
Retained Profit for the Year	228,125	231,475
Retained Profit Carried Forward	2,242,702	2,014,577

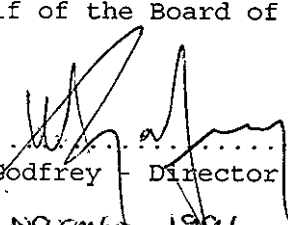
The company has no recognised gains or losses for the year other than the retained profit for the year. The turnover and operating profit are derived from continuing activities.

The accounting policies and notes on pages 7 to 13 form part of these audited financial statements.

ROBERT PRICE (BUILDERS MERCHANTS) LIMITEDBALANCE SHEET  
AS AT 30 SEPTEMBER 1995

	Note	£	1995	£	1994	£
<b>FIXED ASSETS</b>						
Tangible assets	10		309,582		262,991	
Investments	11		7,231		5	
			<u>316,813</u>		<u>262,996</u>	
<b>CURRENT ASSETS</b>						
Stock	12	1,783,535		1,725,857		
Debtors	13	3,268,253		2,781,801		
Cash at bank and in hand		566,419		1,289,773		
			<u>5,618,207</u>	<u>5,797,431</u>		
Creditors - amounts falling due within one year	14	3,660,103		4,039,626		
<b>NET CURRENT ASSETS</b>			<u>1,958,104</u>		<u>1,757,805</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,274,917</u>		<u>2,020,801</u>	
Creditors - amounts falling due after more than one year	15		32,112		6,121	
			<u>2,242,805</u>		<u>2,014,680</u>	
<b><u>CAPITAL AND RESERVES</u></b>						
Called up Share Capital	16		103		103	
Profit and Loss Account			<u>2,242,702</u>		<u>2,014,577</u>	
<b>Equity Shareholders' Funds</b>	17		<u>2,242,805</u>		<u>2,014,680</u>	

On behalf of the Board of Directors


  
.....  
W A Godfrey - Director

  
28 November 1996  
.....  
Date

The accounting policies and notes on pages 7 to 13 form part of these audited financial statements.



ROBERT PRICE (BUILDERS MERCHANTS) LIMITEDCASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 1995

	Note	£	1995	£	1994	£
Net cash (outflow) from operating activities	6		(445,401)		701,596	
Returns on investments and servicing of finance						
Rental income		12,226		26,590		
Discount on purchase of investments		-		142,705		
Interest received		27,600		47,770		
Interest paid		(16,411)		(9,655)		
Net cash inflow from returns on investments and servicing of finance			23,415		207,410	
Taxation						
Corporation tax paid		113,922		41,885		
			(113,922)		(41,885)	
Investing activities						
Payments to acquire fixed assets		(180,220)		(210,552)		
Payments to acquire investments		( 7,226)		-		
Proceeds from sale of fixed assets		-		3,831		
Net cash (outflow) from investing activities			(187,446)		(206,721)	
Net cash (outflow)/inflow before financing			(723,354)		660,400	
Financing						
Issue of ordinary share capital		-		-		
Net cash inflow from financing			-		-	
(Decrease) in cash and cash equivalents	18		(723,354)		660,400	

ROBERT PRICE (BUILDERS MERCHANTS) LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1995

1. ACCOUNTING POLICIES

a. FORMAT

The financial statements have been prepared under the historical cost convention and in accordance with s226 of, and Schedule 4 to, the Companies Act 1985.

The effects of events relating to the year ended 30 September 1995 which occurred before the date of approval of the financial statements by the Board of Directors have been included in the statements to the extent required to show a true and fair view of the state of affairs at 30 September 1995, and of the results for the year ended on that date.

b. TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates, on a straight line basis, to write off each asset over its estimated useful life:

Plant and equipment	- 15%
Motor vehicles	- 25%

c. STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. In determining cost, the latest purchase price has been used.

d. TAXATION

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

e. PENSION COSTS

Payments charged to the profit and loss account are in respect of defined contributions to a fund managed by an insurance company.

f. LEASED ASSETS

Where assets are financed by leasing agreements, or finance leases, the assets are included in the balance sheet at cost less depreciation in accordance with the company's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital payments outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

ROBERT PRICE (BUILDERS MERCHANTS) LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30 SEPTEMBER 19952. TURNOVER

The turnover and profit before taxation are attributable to the principal activity of the company.

Turnover represents net invoiced sales of goods, excluding Value Added Tax. The directors are of the opinion that the classes of activity do not warrant further analysis.

3. STAFF COSTS

	<u>1995</u>	<u>1994</u>
	£	£
Wages and Salaries	1,853,429	1,485,474
Social Security Costs	174,672	129,269
Pension Costs	14,300	12,100
	<u>2,042,401</u>	<u>1,626,843</u>

The average weekly number of employees during the year was as follows:

	<u>No</u>	<u>No</u>
Sales	170	140
Office and Management	43	36
	<u>213</u>	<u>176</u>

4. DIRECTORS' REMUNERATION

Emoluments of the directors of the company were as follows:	<u>1995</u>	<u>1994</u>
	£	£
Directors' Remuneration	50,000	32,000
	<u>50,000</u>	<u>32,000</u>

The emoluments, excluding pension contributions, of the chairman, who was also the highest paid director, were £22,000 (1994 - £22,000).

The number of other directors whose emoluments, excluding pension contributions, fell in each £5,000 band was as follows:

	<u>No.</u>	<u>No.</u>
£Nil - £ 5,000	1	1
£ 5,001 - £10,000	1	1
£15,001 - £20,000	1	-
	<u>3</u>	<u>2</u>

ROBERT PRICE (BUILDERS MERCHANTS) LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30 SEPTEMBER 19955. OPERATING PROFIT

The operating profit is stated after charging:	<u>1995</u> £	<u>1994</u> £
Depreciation	133,629	96,613
Auditors' Remuneration	10,000	10,000
Hire of Equipment	34,092	32,787
Loss on Sale of Assets	-	142
	<u>          </u>	<u>          </u>

6. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)

	<u>1995</u> £	<u>1994</u> £
Operating profit	334,634	126,306
Depreciation charges	133,629	96,613
Loss on sale of tangible fixed assets	-	142
(Increase) in stocks	( 57,678)	(159,143)
(Increase) in debtors	(488,719)	(487,868)
(Decrease) in creditors	(367,267)	1,125,546
	<u>(445,401)</u>	<u>701,596</u>

7. OTHER OPERATING INCOME

	<u>1995</u> £	<u>1994</u> £
Rental Income	12,226	26,590
Discount on Purchase of Debtors	-	142,705
	<u>12,226</u>	<u>169,295</u>

ROBERT PRICE (BUILDERS MERCHANTS) LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30 SEPTEMBER 19958. INTEREST PAYABLE

	<u>1995</u>	<u>1994</u>
	£	£
Bank Interest	13,367	7,037
Hire Purchase Interest	3,044	2,618
	<u>16,411</u>	<u>9,655</u>

9. TAXATION

	<u>1995</u>	<u>1994</u>
	£	£
UK Corporation Tax at 33%	127,657	102,006
Under Provision in Earlier Years	-	235
	<u>127,657</u>	<u>102,241</u>

10. TANGIBLE ASSETS

	Motor Vehicles	Plant and Equipment	Total
<u>COST</u>	£	£	£
At 1 October 1994	167,396	311,617	479,013
Additions	92,669	87,551	180,220
At 30 September 1995	<u>260,065</u>	<u>399,168</u>	<u>659,233</u>
<u>DEPRECIATION</u>			
At 1 October 1994	71,537	144,485	216,022
Charge for the year	61,286	72,343	133,629
At 30 September 1995	<u>132,823</u>	<u>216,828</u>	<u>349,651</u>
<u>NET BOOK VALUE</u>			
At 30 September 1995	<u>127,242</u>	<u>182,340</u>	<u>309,582</u>
At 30 September 1994	<u>95,859</u>	<u>167,132</u>	<u>262,991</u>

Included in the net book value of motor vehicles is an amount held under finance agreements of £68,875 (1994 - £24,548).

Depreciation for the year on these assets was £31,257 (1994 - £12,362).

Included in the net book value of plant and equipment is an amount held under finance agreements of £21,083 (1994 - £9,225).

Depreciation for the year on these assets was £5,847 (1994 - £2,306).

ROBERT PRICE (BUILDERS MERCHANTS) LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30 SEPTEMBER 199511. FIXED ASSET INVESTMENTS

	Shares in Subsidiaries £	Other Investments £	Total £
As at 1 October 1994	5	-	5
Acquired	60	7,166	7,226
	<hr/>	<hr/>	<hr/>
As at 30 September 1995	65	7,166	7,231
	<hr/>	<hr/>	<hr/>

The subsidiary undertakings of the company at 30 September 1995, all of which are incorporated in England and Wales, were as follows:

Name	Description of shares held	Proportion of nominal value of issued shares held
Robert Price Building Supplies Limited	Ordinary £1 shares	100%
Mardy Limited	Ordinary £1 shares	100%

On 3 April 1995, the company acquired 100% of the issued share capital of Mardy Limited.

12. STOCK

	<u>1995</u> £	<u>1994</u> £
Goods for resale	1,783,535	1,725,857
	<hr/>	<hr/>

The replacement cost of the above stock would not be significantly different from the value of stock.

13. DEBTORS

	<u>1995</u> £	<u>1994</u> £
Trade debtors	3,219,580	2,721,334
Other debtors	8,900	18,674
Prepayments	39,773	41,793
	<hr/>	<hr/>
	3,268,253	2,781,801
	<hr/>	<hr/>

All debtors are due within one year.

ROBERT PRICE (BUILDERS MERCHANTS) LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30 SEPTEMBER 199514. CREDITORS - amounts falling due within  
one year

	<u>1995</u>	<u>1994</u>
	£	£
Trade creditors	2,038,528	2,104,075
Amounts owed to group undertakings	1,076,842	1,495,305
Corporation tax	119,321	105,586
Other taxation and social security	125,401	57,515
Other creditors	75,278	84,498
Obligations under finance agreements	41,111	14,294
Accruals	183,622	178,353
	<u>3,660,103</u>	<u>4,039,626</u>

15. CREDITORS - amounts falling due after more  
than one year

	<u>1995</u>	<u>1994</u>
	£	£
Obligations under finance agreements	<u>32,112</u>	<u>6,121</u>

The above liability is due within 5 years.

16. SHARE CAPITAL - Equity shares

	<u>1995</u>	<u>1994</u>
	£	£
Ordinary shares of £1 each:		
Authorised	<u>50,000</u>	<u>50,000</u>
Allotted, called-up and fully paid	<u>103</u>	<u>103</u>

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1995</u>	<u>1994</u>
	£	£
Profit for the year	<u>228,125</u>	<u>231,475</u>
Net addition to shareholders' funds	228,125	231,475
Opening shareholders' funds	<u>2,014,680</u>	<u>1,783,205</u>
Closing shareholders' funds	<u>2,242,805</u>	<u>2,014,680</u>

18. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE PERIOD

	<u>1995</u>	<u>1994</u>
	£	£
Opening balance	1,289,773	629,373
Net cash (outflow)	<u>(723,354)</u>	<u>660,400</u>
Closing balance	<u>566,419</u>	<u>1,289,773</u>

ROBERT PRICE (BUILDERS MERCHANTS) LIMITED

NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 30 SEPTEMBER 1995

19. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS

	<u>1995</u>	<u>1994</u>	<u>Change in</u> <u>year</u>
	£	£	£
Cash at bank and in hand	566,419	1,289,773	(723,354)

	<u>1994</u>	<u>1993</u>	<u>Change in</u> <u>year</u>
	£	£	£
Cash at bank and in hand	1,289,773	629,373	660,400

20. DEFERRED TAXATION

	<u>1995</u>	<u>1994</u>
	£	£
<u>Potential liability not provided</u>		
Accelerated capital allowances	Nil	4,210

21. TRANSACTIONS WITH DIRECTORS

The directors each operate a current loan account with the company, which is debited with payments made by the company on behalf of the directors and credited with capital introduced and undrawn directors' fees. The following is the total amount outstanding to the directors, this amount being included in other creditors payable within one year.

	<u>1995</u>	<u>1994</u>
	£	£
Total outstanding	21,500	19,700

22. HOLDING COMPANY

The ultimate holding company is Robert Price & Sons Limited, which is incorporated in England and Wales. The two companies have traded on a normal commercial basis during the year.