

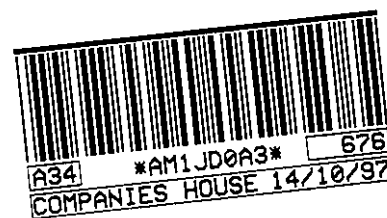
1234308

LEWIS TYLER AND SONS (FENCING) LIMITED

31ST DECEMBER 1996

COMPANY NUMBER: 1238308

ANNUAL REPORT AND FINANCIAL STATEMENTS



LEWIS TYLER AND SONS (FENCING) LIMITED

DIRECTORS

A.J.Tyler
Miss H.E.Tyler
N.C.Tyler
E.A.Tyler
J.L.Tyler
I.J.Russell

SECRETARY

A.J.Tyler

BUSINESS ADDRESS

Estate Sawmill
Mill Green
Hatfield
Herts.AL9 5PG

REGISTERED OFFICE

Estate Sawmill
Mill Green
Hatfield
Herts.AL9 5PG

AUDITORS

Hughes Allen
Greenwood House
4/7 Salisbury Court
London EC4Y 8BT

INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1996

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4	Profit and loss account
5	Balance sheet
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LEWIS TYLER AND SONS (FENCING) LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 31st December 1996.

REVIEW OF THE BUSINESS

The company's principal activity during the year has been the manufacture, sale and erection of fencing. The directors consider that the company will continue to trade profitably for the foreseeable future.

RESULTS AND DIVIDENDS

The directors recommend payment of a dividend amounting to £2,790. (1995: £2,790)

It is proposed that the retained profit of £63,438 is transferred to reserves.

FIXED ASSETS

The movements in fixed assets during the year are set out in note 7 to the financial statements.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests together with those of their family in the shares of the company were as follows:-

	<u>Class of share</u>	<u>Number of shares</u>	
		<u>1996</u>	<u>1995</u>
A.J.Tyler	Ordinary shares	10,000	10,000
Miss H.E.Tyler	Ordinary shares	1,120	1,120
N.C.Tyler	Ordinary shares	1,120	1,120
E.A.Tyler	Ordinary shares	1,120	1,120
J.L.Tyler	Ordinary shares	1,120	1,120
I.J.Russell	Ordinary shares	1,120	1,120

AUDITORS

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with Section 386(1) of the Companies Act 1985. Therefore, the auditors, Hughes Allen, will be deemed to be reappointed for each succeeding financial year.

MEMBERS RIGHT TO A GENERAL MEETING

The company has passed an elective resolution to dispense with the laying of the financial statements before the company in general meeting. In accordance with the provisions of Section 253 of the Companies Act 1985 the directors hereby notify the members of their right to require the laying of these financial statements and annual reports before a general meeting. If a member wishes a written notice must be deposited at the company's registered office in accordance with the provisions of Section 253(2) of the Companies Act 1985.

By Order of the Board

Estate Sawmill
Mill Green
Hatfield
Herts.AL9 5PG


A.J.Tyler
Secretary

22 May 1997

LEWIS TYLER AND SONS (FENCING) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF
LEWIS TYLER AND SONS (FENCING) LIMITED

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Statement of 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 year. 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Statement of Auditors' Responsibilities

As described above, 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 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 preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

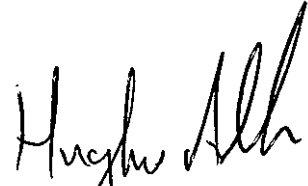
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud, other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

LEWIS TYLER AND SONS (FENCING) LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF
LEWIS TYLER AND SONS (FENCING) LIMITED

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



HUGHES ALLEN
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR

Greenwood House
4/7 Salisbury Court
London EC4Y 8BT

22 May 1997

LEWIS TYLER AND SONS (FENCING) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1996

		CONTINUING OPERATIONS	
	Notes	1996 £	1995 £
Turnover	1	2,343,083	2,508,359
Cost of sales		(1,723,719)	(1,897,613)
Gross profit		619,364	610,746
Administrative expenses		(510,269)	(540,026)
Operating profit	2	109,095	70,720
Interest receivable		1	2
Interest payable	3	(20,151)	(18,482)
profit on ordinary activities before taxation		88,945	52,240
Tax on profit on ordinary activities	5	(22,717)	(14,098)
profit for the financial year		66,228	38,142
Dividends	6	(2,790)	(2,790)
Retained profit for the year		63,438	35,352
Retained profits brought forward		177,098	141,746
RETAINED PROFITS carried forward		£ 240,536	£ 177,098

The company made no recognised gains or losses in 1996 or 1995 other than the profit for the year.

The notes on pages 6 to 12 form part of these accounts

LEWIS TYLER AND SONS (FENCING) LIMITED

BALANCE SHEET
31ST DECEMBER 1996

	Notes	1996 £	1995 £
FIXED ASSETS			
Tangible assets	7	129,849	136,973
CURRENT ASSETS			
Stocks	8	263,067	254,536
Debtors	9	367,443	368,648
Cash at bank and in hand		30	55
		<u>630,540</u>	<u>623,239</u>
CREDITORS: Amounts falling due within one year	10	<u>(469,021)</u>	<u>(529,014)</u>
NET CURRENT ASSETS		<u>161,519</u>	<u>94,225</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>291,368</u>	<u>231,198</u>
CREDITORS: Amounts falling due after more than one year	11	<u>(26,830)</u>	<u>(30,098)</u>
NET ASSETS		<u>£ 264,538</u>	<u>£ 201,100</u>
CAPITAL AND RESERVES			
Called up share capital	12	15,600	15,600
Share premium account		8,402	8,402
Profit and loss account		240,536	177,098
	13	<u>£ 264,538</u>	<u>£ 201,100</u>

The financial statements were approved by the board on 22 May 1997 and signed on its behalf by

A.J. TYLER

)
) Directors

MISS H.E. TYLER

The notes on pages 6 to 12 form an integral part of these accounts

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1996

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The principal accounting policies adopted by the company are detailed below.

1.1 BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention.

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 DEPRECIATION

Depreciation is provided using the following rates and bases to write off the tangible assets over their estimated useful lives:-

Plant and machinery	20% Reducing balance
Fixtures & fittings	20% Reducing balance
Motor vehicles-purchased	25% Reducing balance

Leasehold properties and improvements have been amortised over the remaining term of the lease.

1.4 STOCK

Stock and work in progress are valued at the lower of cost and estimated net realisable value.

1.5 DEFERRED TAXATION

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

1.6 LEASING AND HIRE PURCHASE

Assets acquired under finance leases or hire purchase contracts are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Finance charges and interest are taken to the profit and loss account in constant proportion to the remaining balance of capital repayments or net obligations outstanding. Rentals payable under operating leases are taken to the profit and loss account on a straight line basis over the lease term.

1.7 DEFINED CONTRIBUTION PENSION SCHEME

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £5,869 (1995: £6,779).

2. OPERATING PROFIT

The operating profit is stated after charging:-

	1996 £	1995 £
Depreciation	30,753	31,378
Auditors' remuneration	6,250	6,250
Operating lease rentals	22,536	16,548

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1996

3. INTEREST PAYABLE	1996	1995
	£	£
On bank loans and overdrafts and on loans repayable in full within five years	16,710	17,315
On overdue tax	132	-
Hire purchase interest	3,309	1,167
	<u>£ 20,151</u>	<u>£ 18,482</u>
 4. DIRECTORS AND EMPLOYEES	 1996	 1995
	£	£
Staff costs:-		
Wages and salaries	408,793	409,744
Social security costs	38,184	37,027
Other pension costs	5,869	6,779
	<u>£ 452,846</u>	<u>£ 453,550</u>
 The average monthly number of employees during the year was as follows:	 Number	 Number
	<u>24</u>	<u>26</u>
	£	£
Directors' emoluments for the year	<u>£ 154,646</u>	<u>£ 161,175</u>
The division of directors' emoluments, excluding pension contributions, is as follows:-		
Chairman and highest paid director	<u>£ 32,527</u>	<u>£ 33,460</u>
 Other directors' remuneration fell within the following ranges:	 Number	 Number
£20,001 - £25,000	<u>5</u>	<u>5</u>
 5. TAX ON PROFIT ON ORDINARY ACTIVITIES	 1996	 1995
	£	£
The taxation charge based on the profit before tax comprises:-		
U.K corporation tax at 24% (1995: 25%)	22,717	21,071
Transfer from deferred taxation	-	(6,973)
	<u>£ 22,717</u>	<u>£ 14,098</u>

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1996

6.	DIVIDENDS	1996	1995
		£	£
	Dividends proposed	2,790	2,790

7. TANGIBLE FIXED ASSETS

<u>Cost</u>	Beginning of year £	Additions £	Disposals £	End of year £
Properties:				
Leasehold improvements	86,846	-	-	86,846
Short leasehold	265	-	-	265
Plant and machinery	154,373	14,538	-	168,911
Fixtures and fittings	12,512	2,046	-	14,558
Motor vehicles	86,727	9,548	(12,124)	84,151
	£ 340,723	£ 26,132	£ (12,124)	£ 354,731
<u>Depreciation</u>	Beginning of year £	Charge for year £	Eliminated on disposal £	End of year £
Properties:				
Leasehold improvements	41,749	5,637	-	47,386
Short leasehold	145	14	-	159
Plant and machinery	104,264	12,929	-	117,193
Fixtures and fittings	4,342	2,043	-	6,385
Motor vehicles	53,249	10,130	(9,620)	53,759
	£ 203,749	£ 30,753	£ (9,620)	£ 224,882
	Beginning of year			End of year
<u>Total net book values</u>	£ 136,974			£ 129,849

Included above are assets held under finance leases or hire purchase contracts as follows:-

	£
Net book values at 31st December 1996:	
Plant and machinery	4,188
Motor vehicles	25,325
	<u> </u>
Depreciation charge for the year:	
Plant and machinery	1,047
Motor vehicles	8,442
	<u> </u>

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1996

8. STOCKS

	1996 £	1995 £
Short term work in progress	10,000	16,700
Finished goods and goods for resale	253,067	237,836
	<u>£ 263,067</u>	<u>£ 254,536</u>

9. DEBTORS

	1996 £	1995 £
Trade debtors	358,123	359,143
Advance corporation tax recoverable	1,395	1,395
Other debtors	1,100	-
Prepayments and accrued income	6,825	8,110
	<u>£ 367,443</u>	<u>£ 368,648</u>

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1996

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1996 £	1995 £
Bank loans and overdrafts	62,969	102,001
Other Loans	34,000	46,000
Trade creditors	278,404	293,018
Proposed dividend	2,790	2,790
Advance corporation tax payable	698	1,395
Corporation tax	22,717	21,072
Other taxes and social security costs	45,960	46,542
Net obligations under finance lease and hire purchase contracts	10,531	6,132
Accruals and deferred income	10,952	10,064
	<u>£ 469,021</u>	<u>£ 529,014</u>

The bank loans and overdraft are secured as follows:

1. A debenture floating charge in favour of the bank over all assets and undertakings of the company
2. A sole guarantee by A J Tyler in the sum of £50,000 supported by a personal freehold property.

Other loans include the following :	1996 £	1995 £
Loan from former director (interest payable at 15.132%)	4,000	16,000
Loans from director: A.J.Tyler (interest payable at 14.67%)	30,000	30,000
	<u>£ 34,000</u>	<u>£ 46,000</u>

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1996

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	1996 £	1995 £
Bank loans (secured as above)	4,375	9,662
Net obligations under finance leases and hire purchase contracts	22,455	20,436
	<u>£ 26,830</u>	<u>£ 30,098</u>

The above amounts are wholly repayable within five years

<u>Net obligations under finance leases and hire purchase contracts</u>		
Repayable within one year	14,176	8,812
Repayable between one and five years	25,182	23,499
	<u>39,358</u>	<u>32,311</u>
Finance charges and interest allocated to future accounting periods	6,372	5,743
	<u>32,986</u>	<u>26,568</u>
Included in current liabilities	(10,531)	(6,132)
	<u>£ 22,455</u>	<u>£ 20,436</u>

12. SHARE CAPITAL	1996 £	1995 £
<u>Authorised</u> 25,000 Ordinary shares of £1 each	£ 25,000	£ 25,000
<u>Allotted, called up and fully paid</u> 15,600 Ordinary shares of £1 each	£ 15,600	£ 15,600

13. RECONCILIATION OF SHAREHOLDERS FUNDS	1996 £	1995 £
Retained profit for the year	66,228	38,142
Dividend	(2,790)	(2,790)
	<u>63,438</u>	<u>35,352</u>
Movements in shareholders funds	201,100	165,748
Opening shareholders funds	<u>£ 264,538</u>	<u>£ 201,100</u>

LEWIS TYLER AND SONS (FENCING) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1996

14. OPERATING LEASE COMMITMENTS

The amounts payable in the next year in respect of operating leases are shown below, analysed according to the expiry date of the leases.

	Land and buildings		Other	
	1996	1995	1996	1995
	£	£	£	£
Expiry date:				
Between one and five years	-	-	21,872	16,148
After five years	52,000	52,000	-	-
	<u>52,000</u>	<u>52,000</u>	<u>21,872</u>	<u>16,148</u>
	£ 52,000	£ 52,000	£ 21,872	£ 16,148