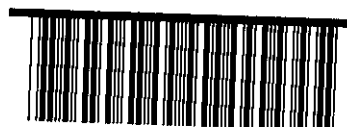


Company Registration No. 1341153 (England and Wales)

**GORDON CONRAD LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 30 APRIL 1999**



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COMPANIES HOUSE 07/06/00  
COMPANIES HOUSE 27/05/00

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# GORDON CONRAD LIMITED

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# GORDON CONRAD LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 1999

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The directors present their report and financial statements for the year ended 30 April 1999.

### Principal activities and review of the business

The principal activity of the company continued to be that of importing and distributing food products.

The results for the year are shown on page 5 of the financial statements.

### Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

### Directors

The following directors have held office since 1 May 1998:

G E Conrad

N P Amos

### Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 April 1999	1 May 1998
G E Conrad	20,000	20,000
N P Amos	-	-

### Auditors

Nyman Libson Paul were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

# **GORDON CONRAD LIMITED**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 1999**

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### **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;
- 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.

By order of the Board



N P Amos

**Director**

19 May 2000



## **Nyman Libson Paul**

CHARTERED ACCOUNTANTS

Regina House, 124 Finchley Road, London NW3 5JS

### **GORDON CONRAD LIMITED**

#### **AUDITORS' REPORT TO GORDON CONRAD LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 4 to 15, together with the financial statements of the company for the year ended 30 April 1999 prepared under section 226 of the Companies Act 1985.

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

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

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

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

##### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 15 are properly prepared in accordance with that provision.

##### **Other information**

On 19 May 2000 we reported, as auditors of Gordon Conrad Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 April 1999, and our audit report included the following paragraph:

##### **"Fundamental uncertainty**

In forming our opinion, we have considered the adequacy of the disclosure made in note 1 of the financial statements concerning the continued support of the company's creditors and the appropriateness of the going concern basis of preparation of the financial statements. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect."

**Nyman Libson Paul**

19 May 2000

Chartered Accountants  
& Registered Auditors

124 Finchley Road  
London  
NW3 5JS

# GORDON CONRAD LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 1999

	Notes	1999 £	1998 £
<b>Gross profit</b>		1,211,768	1,134,312
Distribution costs		(196,411)	(184,789)
Administrative expenses		(728,058)	(644,705)
Other operating income		1,180	29,928
<b>Operating profit</b>	<b>2</b>	288,479	334,746
Other interest receivable and similar income	<b>3</b>	7,843	270
Interest payable and similar charges	<b>4</b>	(105,355)	(139,081)
<b>Profit on ordinary activities before taxation</b>		190,967	195,935
Tax on profit on ordinary activities	<b>5</b>	(53,214)	(24,692)
<b>Profit on ordinary activities after taxation</b>	<b>13</b>	137,753	171,243

# GORDON CONRAD LIMITED

## ABBREVIATED BALANCE SHEET AS AT 30 APRIL 1999

	Notes	1999 £	£	1998 £	£
<b>Fixed assets</b>					
Tangible assets	6		109,317		683,535
<b>Current assets</b>					
Stocks	7	122,946		210,229	
Debtors	8	1,039,852		922,285	
Cash at bank and in hand		21,391		3,511	
		<u>1,184,189</u>		<u>1,136,025</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(1,967,523)</u>		<u>(2,025,146)</u>	
<b>Net current liabilities</b>			<u>(783,334)</u>		<u>(889,121)</u>
<b>Total assets less current liabilities</b>			<u>(674,017)</u>		<u>(205,586)</u>
<b>Creditors: amounts falling due after more than one year</b>	10		-		(606,184)
			<u>(674,017)</u>		<u>(811,770)</u>
<b>Capital and reserves</b>					
Called up share capital	12		20,000		20,000
Profit and loss account	13		<u>(694,017)</u>		<u>(831,770)</u>
<b>Shareholders' funds</b>	14		<u>(674,017)</u>		<u>(811,770)</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 19 May 2000 and signed on its behalf by:

G E Conrad  
Director



N P Amos  
Director



# GORDON CONRAD LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 1999

	1999 £	1998 £
<b>Net cash inflow from operating activities</b>	401,214	6,002
<b>Returns on investments and servicing of finance</b>		
Interest received	7,843	270
Interest paid	(105,355)	(139,081)
<b>Net cash outflow for returns on investments and servicing of finance</b>	(97,512)	(138,811)
<b>Taxation</b>	(26,225)	1,917
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(74,602)	(42,205)
Receipts from sales of tangible assets	551,638	6,801
<b>Net cash inflow/(outflow) for capital expenditure</b>	477,036	(35,404)
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>	754,513	(166,296)
<b>Financing</b>		
Other new long term loans	-	200,000
Other new short term loans	-	2,741
Repayment of long term bank loan	(401,869)	(11,759)
Repayment of other long term loans	(200,000)	-
Factored debts	(60,795)	(32,539)
Repayment of short term bank loan	(9,373)	-
Capital element of hire purchase contracts	(13,991)	(15,517)
<b>Net cash (outflow)/inflow from financing</b>	(686,028)	142,926
<b>Increase/(decrease) in cash in the year</b>	68,485	(23,370)



# GORDON CONRAD LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 1999

1	Reconciliation of operating profit to net cash inflow from operating activities	1999	1998
		£	£
	Operating profit	288,479	334,746
	Depreciation of tangible assets	46,311	48,270
	Loss on disposal of tangible assets	50,871	1,937
	Decrease in stocks	87,283	12,967
	(Increase)/decrease in debtors	(117,567)	158,864
	Increase/(decrease) in creditors within one year	45,837	(550,782)
	<b>Net cash inflow from operating activities</b>	<b>401,214</b>	<b>6,002</b>

2	Analysis of net debt	1 May 1998	Cash flow	Other non-cash changes	30 April 1999
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	3,511	17,880		21,391
	Bank overdrafts	(50,605)	50,605		-
		<u>(47,094)</u>	<u>68,485</u>		<u>21,391</u>
	Debt:				
	Finance leases	(18,249)	13,991	-	(4,258)
	Debts falling due within one year	(629,822)	70,168	-	(559,654)
	Debts falling due after one year	(601,869)	601,869	-	-
		<u>(1,249,940)</u>	<u>686,028</u>	<u>-</u>	<u>(563,912)</u>
	<b>Net debt</b>	<b>(1,297,034)</b>	<b>754,513</b>	<b>-</b>	<b>(542,521)</b>

3	Reconciliation of net cash flow to movement in net debt	1999	1998
		£	£
	Increase/(decrease) in cash in the year	68,485	(23,370)
	Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	686,028	(142,926)
	<b>Movement in net debt in the year</b>	<b>754,513</b>	<b>(166,296)</b>
	Opening net debt	(1,297,034)	(1,130,738)
	<b>Closing net debt</b>	<b>(542,521)</b>	<b>(1,297,034)</b>

# GORDON CONRAD LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 APRIL 1999

---

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company is showing a deficiency at the balance sheet date of £674,017 and, in order to continue trading, is dependant on the continuing support of its main supplier. The directors have obtained written assurances from the main supplier of its intention to continue to support the company for the foreseeable future.

On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include adjustments that would result from the withdrawal of support by the main supplier.

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	2% on cost
Plant and machinery	15% on cost
Office equipment	15% - 33 1/3% on cost
Motor vehicles	25% on cost

#### 1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated in accordance with the policies stated above. 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 a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against profit as incurred.

#### 1.5 Stock

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

#### 1.6 Pensions

Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they are payable to the scheme.

# GORDON CONRAD LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 1999

<b>2</b>	<b>Operating profit</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	Operating profit is stated after charging:		
	Depreciation of tangible assets	46,311	48,270
	Operating lease rentals	12,250	12,250
	Auditors' remuneration	12,000	10,042
		<hr/>	<hr/>
<b>3</b>	<b>Other interest receivable and similar income</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	Bank interest	-	270
	Other interest	7,843	-
		<hr/>	<hr/>
		7,843	270
		<hr/>	<hr/>
<b>4</b>	<b>Interest payable</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	24,045	42,934
	On other loans wholly repayable within 5 years	77,823	94,222
	Hire purchase interest	3,487	1,925
		<hr/>	<hr/>
		105,355	139,081
		<hr/>	<hr/>
<b>5</b>	<b>Taxation</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	<b>U.K. current year taxation</b>		
	U.K. corporation tax at 22% (1998 - 21%)	52,989	26,000
	Income tax	299	-
		<hr/>	<hr/>
		53,288	26,000
	<b>Prior years</b>		
	U.K. corporation tax	(74)	(1,308)
		<hr/>	<hr/>
		53,214	24,692
		<hr/>	<hr/>

# GORDON CONRAD LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 1999

### 6 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Office equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 May 1998	658,715	-	59,415	111,459	829,589
Additions	-	38,300	10,751	25,551	74,602
Disposals	(658,715)	-	-	(20,205)	(678,920)
At 30 April 1999	-	38,300	70,166	116,805	225,271
<b>Depreciation</b>					
At 1 May 1998	65,871	-	38,982	41,201	146,054
On disposals	(71,360)	-	-	(5,051)	(76,411)
Charge for the year	5,489	2,394	9,449	28,979	46,311
At 30 April 1999	-	2,394	48,431	65,129	115,954
<b>Net book value</b>					
At 30 April 1999	-	35,906	21,735	51,676	109,317
At 30 April 1998	592,844	-	20,433	70,258	683,535

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

	Motor vehicles £
<b>Net book values</b>	
At 30 April 1999	24,585
At 30 April 1998	42,961
<b>Depreciation charge for the year</b>	
30 April 1999	18,376
30 April 1998	18,376

7 Stocks	1999 £	1998 £
Stocks	122,946	210,229

# GORDON CONRAD LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 1999

8 Debtors	1999 £	1998 £
Trade debtors	747,367	830,614
Directors' current accounts	-	2,975
Other debtors	279,506	62,423
Prepayments and accrued income	12,979	26,273
	<u>1,039,852</u>	<u>922,285</u>

Amounts falling due after more than one year and included in the debtors above are:

	1999 £	1998 £
Other debtors	<u>70,833</u>	<u>-</u>

Trade debtors include an amount of £730,871 (1998 - £808,843) which has been factored. Advances from the factor of £559,654 (1998 - £620,449) have been shown within other creditors.

9 Creditors: amounts falling due within one year	1999 £	1998 £
Bank loans and overdrafts	-	59,978
Net obligations under finance lease and hire purchase contracts (secured)	4,258	13,934
Trade creditors	1,012,612	1,148,434
Corporation tax	52,989	26,000
Other taxes and social security costs	78,752	88,686
Directors' current accounts	1,073	-
Other creditors	779,406	655,879
Accruals and deferred income	38,433	32,235
	<u>1,967,523</u>	<u>2,025,146</u>

The bank loans and overdraft are secured by a fixed and floating charge over the assets of the company.

# GORDON CONRAD LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 1999

10 Creditors: amounts falling due after more than one year	1999 £	1998 £
Bank loans	-	401,869
Other loans	-	200,000
Net obligations under finance leases and hire purchase agreements	-	4,315
	<u>-</u>	<u>606,184</u>
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments:	-	401,869
Wholly repayable within five years	-	209,373
	<u>-</u>	<u>611,242</u>
Included in current liabilities	-	(9,373)
	<u>-</u>	<u>601,869</u>
<b>Loan maturity analysis</b>		
Between one and two years	-	210,357
Between two and five years	-	38,064
In five years or more	-	353,448
	<u>-</u>	<u>601,869</u>
The loans are unsecured and attract interest at 2.5% above the base rate of Barclays Bank Plc, interest payable annually on 5 April each year.		
<b>Net obligations under finance leases and hire purchase contracts</b>		
Repayable within one year	5,722	17,353
Repayable between one and five years	-	5,937
	<u>5,722</u>	<u>23,290</u>
Finance charges and interest allocated to future accounting periods	(1,464)	(5,041)
	<u>4,258</u>	<u>18,249</u>
Included in liabilities falling due within one year	(4,258)	(13,934)
	<u>-</u>	<u>4,315</u>

# GORDON CONRAD LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 1999

### 11 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £5,000 (1998 - £5,654). There were no contributions outstanding at the year end.

12 Share capital	1999 £	1998 £
<b>Authorised</b>		
50,000 Ordinary shares of £ 1 each	50,000	50,000
<b>Allotted, called up and fully paid</b>		
20,000 Ordinary shares of £ 1 each	20,000	20,000

### 13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 May 1998	(831,770)
Retained profit for the year	137,753
Balance at 30 April 1999	(694,017)

14 Reconciliation of movements in shareholders' funds	1999 £	1998 £
Profit for the financial year	137,753	171,243
Opening shareholders' funds	(811,770)	(983,013)
Closing shareholders' funds	(674,017)	(811,770)

### 15 Financial commitments

At 30 April 1999 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 1999 £	1998 £
Expiry date:		
Between two and five years	12,250	12,250

# GORDON CONRAD LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 1999

16 Directors' emoluments	1999 £	1998 £
Emoluments for qualifying services	242,449	261,093
Company pension contributions to money purchase schemes	5,000	5,654
	<u>247,449</u>	<u>266,747</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (1998 - 1).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	146,319	159,664
Company pension contributions to money purchase schemes	5,000	5,654
	<u>151,319</u>	<u>165,318</u>

## 17 Employees

### Number of employees

The average monthly number of employees (including directors) during the year was:

	1999 Number	1998 Number
Administration	9	8
Distribution	2	2
	<u>11</u>	<u>10</u>

### Employment costs

	£	£
Wages and salaries	421,555	383,423
Social security costs	40,981	35,945
Other pension costs	5,000	5,654
	<u>467,536</u>	<u>425,022</u>

## 18 Control

The company was under the control of G E Conrad, a shareholder and director of the company, throughout the current and previous year.



# GORDON CONRAD LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 1999

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### 19 Transactions with directors

The balance on G E Conrad's director's loan account amounted to £250 owed by the company (1998: £3,138 owed to the company). The balance on N P Amos' loan account amounted to £823 (1998: £163) owed by the company at the year end.

Included in other debtors is £25,808 (1998: £25,808) due from Parsons Table Company Limited, a company of which G E Conrad is a director and shareholder.

Creditors due within one year include £200,000 (1998: £200,000) due to Parsons Table Company Limited at the year end. Interest due at the balance sheet date on this loan amounted to £19,752 (1998: £534) and is also included in other creditors due within one year.

Mr G E Conrad has provided a guarantee of £50,000 and collateral security in the form of the assignment of a life assurance policy for £300,000 as security against the company's overdraft facility.

Included within debtors is £71,865 due from Osska Limited, a company of which Mr G E Conrad is a shareholder and Mr N P Amos is a director and shareholder. The company has made purchases of £83,040 from Osska Limited during the year.