

REGISTERED NUMBER - 1464224  
(England and Wales)

**C & W BERRY LIMITED**  
**REPORTS**  
**AND**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST OCTOBER 2002**



**C & W BERRY LIMITED**  
**OFFICERS AND ADVISORS**

**DIRECTORS**

Walter Berry  
Colin Berry  
David John Berry  
Peter Jones  
Graham Charnley Parker  
Susan Taylor - Berry  
Gary William Higham  
Ian Richard Hunt

**SECRETARY**

Gary William Higham

**AUDITORS**

Whitehead & Aldrich,  
Chartered Accountants,  
5, Ribblesdale Place,  
Preston.  
PR1 8BZ.

**BANKERS**

The Royal Bank of Scotland plc.,  
165 Towngate,  
Leyland.  
PR25 2TE.

**REGISTERED OFFICE**

Wellfield Sawmills,  
King Street,  
Leyland.  
PR25 2LE.

**REGISTERED NUMBER**

1464224 (England and Wales)

**C & W BERRY LIMITED****REPORT OF THE DIRECTORS**

The directors present their annual report and the audited financial statements of the company for the year ended 31st October 2002 .

**PRINCIPAL ACTIVITY**

The principal activity of the company during the year was that of timber, builders' and plumbers' merchants.

**RESULTS FOR THE YEAR**

The profit and loss account on page 4 shows the results for the year. The directors do not recommend the payment of a dividend. The profit for the financial year amounts to £ 561,336

**BUSINESS REVIEW**

The directors expect that the results for the year ending 31st October 2003 will be similar to those achieved in the year under review.

**FIXED ASSETS**

The changes which have taken place during the year are shown on page 9 of the financial statements.

**DIRECTORS**

The directors during the year and their interests (including wife's holding) in the share capital of the company were as follows:

**ORDINARY SHARES OF £1 EACH**

	<b>At the end of the year</b>	<b>At the beginning of the year</b>
W. Berry	1,560	1,560
C. Berry	1,560	1,560
D.J. Berry	840	840
S. Taylor - Berry	280	280
G.W. Higham	100	100
P. Jones	-	-
G.C. Parker	-	-
I.R.Hunt (appointed 1st May 2002)	-	-

**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:-

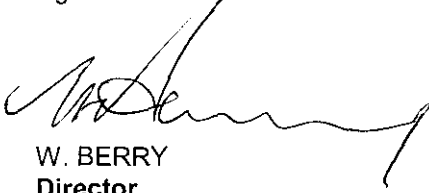
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements ;
- prepare the financial statements 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.

**AUDITORS**

A resolution to re - appoint the auditors, Whitehead & Aldrich, will be proposed at the annual general meeting.

Signed on behalf of the board of directors



W. BERRY  
Director

Approved by the board: 2nd April 2003

## REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF C & W BERRY LIMITED

We have audited the financial statements on pages 4 to 14 which have been prepared in accordance with the accounting policies set out on page 7.

### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 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 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 31st October 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Whitehead & Aldrich*

**WHITEHEAD & ALDRICH**

Chartered Accountants  
and Registered Auditors,  
Preston.

2nd April 2003

**C & W BERRY LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST OCTOBER 2002**

		Year Ended 31st October 2002		29th October 2000 to 31st October 2001	
	NOTES	£	£	£	£
<b>TURNOVER</b>	2		<b>23,362,899</b>		<b>21,526,610</b>
Other operating income			<b>7,540</b>		<b>13,956</b>
			<b>23,370,439</b>		<b>21,540,566</b>
Goods for re-sale			<b>17,481,652</b>		<b>16,071,827</b>
			<b>5,888,787</b>		<b>5,468,739</b>
Staff costs	3	<b>3,713,384</b>		<b>3,498,799</b>	
Depreciation		<b>157,285</b>		<b>134,937</b>	
Other operating charges		<b>1,190,643</b>	<b>5,061,312</b>	<b>1,156,047</b>	<b>4,789,783</b>
<b>OPERATING PROFIT</b>	4		<b>827,475</b>		<b>678,956</b>
Income from other fixed asset investments			<b>650</b>		<b>750</b>
			<b>828,125</b>		<b>679,706</b>
Interest receivable			<b>219</b>		<b>38</b>
			<b>828,344</b>		<b>679,744</b>
Interest payable	6		<b>54,702</b>		<b>78,106</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			<b>773,642</b>		<b>601,638</b>
Taxation	7		<b>212,306</b>		<b>163,906</b>
<b>PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION</b>			<b>561,336</b>		<b>437,732</b>
Retained profit brought forward			<b>4,609,045</b>		<b>4,171,313</b>
<b>RETAINED PROFIT CARRIED FORWARD</b>			<b>5,170,381</b>		<b>4,609,045</b>

**CONTINUING OPERATIONS**

All of the company's activities in the above two financial periods derived from continuing operations

**TOTAL RECOGNISED GAINS AND LOSSES**

The company had no recognised gains or losses other than the profit for the above two financial periods

**C & W BERRY LIMITED**  
**BALANCE SHEET**  
**AS AT 31ST OCTOBER 2002**

		2 0 0 2		2 0 0 1	
	NOTES	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	8	2,625,207		2,300,240	
Investments	9	6,814	2,632,021	6,814	2,307,054
<b>CURRENT ASSETS</b>					
Stocks		2,262,158		2,591,555	
Debtors	10	4,009,292		3,953,066	
Cash at bank and in hand		3,601		4,061	
		6,275,051		6,548,682	
<b>CREDITORS:</b> amounts falling due within one year	11	3,585,594		3,720,851	
<b>NET CURRENT ASSETS</b>			2,689,457		2,827,831
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			5,321,478		5,134,885
<b>CREDITORS:</b> amounts falling due after more than one year	12	116,797		503,040	
<b>PROVISION FOR LIABILITIES AND CHARGES</b>					
Deferred taxation	14	29,300	146,097	17,800	520,840
<b>NET ASSETS</b>			5,175,381		4,614,045
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		4,900		4,900
Capital redemption reserve			100		100
Profit and loss account			5,170,381		4,609,045
<b>SHAREHOLDERS' FUNDS</b>			5,175,381		4,614,045

Signed on behalf of the board of directors



D.J. BERRY  
 Director

Approved by the board: 2nd April 2003

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST OCTOBER 2002

	NOTES	Year Ended 31st October 2002 £	29th October 2000 to 31st October 2001 £
<b>CASH FLOW STATEMENT</b>			
Net cash inflow / (outflow) from operating activities	20	1,498,701	(1,258,564)
Returns on investments and servicing of finance	21a	(61,191)	(73,735)
Taxation		(167,206)	(106,006)
Capital expenditure and financial investment	21b	(482,252)	(69,065)
		<u>788,052</u>	<u>(1,507,370)</u>
Financing	21c	(57,760)	399,501
Increase / (decrease) in cash		<u>730,292</u>	<u>(1,107,869)</u>

## RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (See Note 21)

	Year Ended 31st October 2002 £	29th October 2000 to 31st October 2001 £
Increase / (decrease) in cash	730,292	(1,107,869)
Decrease / (increase) in bank and other loans	57,760	(399,501)
	<u>788,052</u>	<u>(1,507,370)</u>
Change in net funds		
Net debt brought forward	(1,579,409)	(72,039)
Net debt carried forward	<u>(791,357)</u>	<u>(1,579,409)</u>

**C & W BERRY LIMITED****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST OCTOBER 2002****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

**Turnover**

Turnover represents the invoiced amount of goods sold and services provided, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off assets over their estimated useful lives:

Freehold buildings	- 2% on cost
Motor vehicles	- 25% on written down value
Plant and equipment - computer equipment	- 20% on cost
- other	- 20% on written down value

No depreciation is provided on freehold land.

**Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost comprises expenditure directly incurred in bringing stocks to their present location and condition, including attributable overheads.

**Deferred Taxation**

Provision is made in full for taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date.

**Lease transactions**

Rentals under operating leases are charged to profit and loss account as they fall due.

**Pensions**

The company provides funded pension plans for the employees and five directors of the company. The assets of these plans are held separately from those of the company in independently administered funds. Contributions to the plans are charged to the profit and loss account as they become payable.

**2. TURNOVER**

There was no turnover attributable to geographical markets outside the United Kingdom during the two financial periods.

**3. STAFF COSTS**

	Year Ended 31st October 2002 £	29th October 2000 to 31st October 2001 £
Wages and salaries	3,341,309	3,172,903
Social security costs	286,215	275,716
Other pension costs	85,860	50,180
	<hr/>	<hr/>
	3,713,384	3,498,799
	<hr/>	<hr/>



## C &amp; W BERRY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST OCTOBER 2002

## 3. STAFF COSTS (continued)

	Year Ended 31st October 2002	29th October 2000 to 31st October 2001
	Number	Number
Average number of persons employed	<u>203</u>	<u>197</u>

The above number of employees has not been analysed into categories because, in the directors' opinion, this would not be practicable because of the nature and variety of work performed by individual employees.

## 4. OPERATING PROFIT

This is stated after charging:

	Year Ended 31st October 2002 £	29th October 2000 to 31st October 2001 £
Directors' emoluments	227,455	208,599
Directors' money purchase pension scheme contributions	16,600	8,296
Auditors' remuneration	10,850	9,500
Operating lease rentals	119,940	120,995

## 5. HIGHEST PAID DIRECTORS

The directors' emoluments and pension scheme contributions disclosed in note 4 include the following in respect of the highest paid director :-

	Year Ended 31st October 2002 £	29th October 2000 to 31st October 2001 £
Emoluments	39,229	39,391
Money purchase pension scheme contributions	4,900	4,800
	<u>44,129</u>	<u>44,191</u>

## 6. INTEREST PAYABLE

	Year Ended 31st October 2002 £	29th October 2000 to 31st October 2001 £
On bank loans and overdrafts	51,360	73,630
On other loans	3,342	4,476
	<u>54,702</u>	<u>78,106</u>

## C &amp; W BERRY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST OCTOBER 2002

## 7. TAXATION

	Year Ended 31st October 2002 £	29th October 2000 to 31st October 2001 £
Corporation tax at 27.3% (2001 - 26.5%)	200,900	167,300
Deferred taxation	11,500	(3,400)
	<u>212,400</u>	<u>163,900</u>
Prior year adjustment	(94)	6
	<u>212,306</u>	<u>163,906</u>

## 8. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Motor Vehicles £	Plant and Equipment £	Total £
<b>Cost:</b>				
At 1st November 2001	2,407,646	484,090	1,032,074	3,923,810
Additions	131,802	110,105	242,181	484,088
Disposals	-	(31,233)	(16,709)	(47,942)
<b>At 31st October 2002</b>	<u><b>2,539,448</b></u>	<u><b>562,962</b></u>	<u><b>1,257,546</b></u>	<u><b>4,359,956</b></u>
<b>Depreciation:</b>				
At 1st November 2001	509,818	339,219	774,533	1,623,570
Charged in year	21,141	56,050	80,094	157,285
Disposals	-	(30,297)	(15,809)	(46,106)
<b>At 31st October 2002</b>	<u><b>530,959</b></u>	<u><b>364,972</b></u>	<u><b>838,818</b></u>	<u><b>1,734,749</b></u>
<b>Net book value:</b>				
<b>At 31st October 2002</b>	<u><b>2,008,489</b></u>	<u><b>197,990</b></u>	<u><b>418,728</b></u>	<u><b>2,625,207</b></u>
At 31st October 2001	<u>1,897,828</u>	<u>144,871</u>	<u>257,541</u>	<u>2,300,240</u>

Included in freehold land and buildings is land amounting to £1,312,415 (2001 - £1,312,415) which has not been depreciated.

## 9. INVESTMENTS

	£
<b>Unlisted securities:</b>	
At cost at 1st November 2001 and 31st October 2002	<u>6,814</u>

## C &amp; W BERRY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST OCTOBER 2002

## 10. DEBTORS

	2002 £	2001 £
Trade debtors	3,818,241	3,774,006
Prepayments	79,585	62,832
Other debtors	111,466	116,228
	<u>4,009,292</u>	<u>3,953,066</u>

## 11. CREDITORS: amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts (secured per note 13)	661,267	1,064,919
Trade creditors	2,024,047	1,756,106
Corporation tax	200,900	167,300
Other taxes and social security	409,001	374,824
Directors' current and loan accounts	74,274	71,667
Accruals	199,211	270,524
Other creditors	16,894	15,511
	<u>3,585,594</u>	<u>3,720,851</u>

## 12. CREDITORS: amounts falling due after more than one year

	2002 £	2001 £
<b>Bank loan repayable:</b>		
Between one and five years	-	194,905
After five years	-	174,445
<b>Other creditors repayable:</b>		
Between one and five years	76,155	72,934
After five years	40,642	60,756
	<u>116,797</u>	<u>503,040</u>

The other creditors are repayable in annual instalments. Interest is payable at 1.5% below bank base lending rate. Repayments are being made at a level whereby the whole of the loans will have been repaid by 2010. The bank loan is repayable by monthly repayments with interest charged at 1% above base rate.

## 13. BANK BORROWINGS

The bank loans and overdrafts are secured by charges on certain of the company's assets.

## C &amp; W BERRY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST OCTOBER 2002

## 14. DEFERRED TAXATION

Deferred taxation provided in the financial statements is as follows:

	2 0 0 2 £	2 0 0 1 £
Accelerated capital allowances	33,500	24,900
Short term timing differences	(4,200)	(7,100)
	<u>29,300</u>	<u>17,800</u>

## 15. SHARE CAPITAL

	2 0 0 2 £	2 0 0 1 £
Authorised: 200,000 ordinary shares of £1 each	200,000	200,000
Allotted issued and fully paid: 4,900 ordinary shares of £1 each	<u>4,900</u>	<u>4,900</u>

## 16. RECONCILIATION OF MOVEMENT ON SHAREHOLDERS' FUNDS

	2 0 0 2 £	2 0 0 1 £
Profit for the financial period after taxation	561,336	437,732
Opening shareholders' funds	<u>4,614,045</u>	<u>4,176,313</u>
Closing shareholders' funds	<u>5,175,381</u>	<u>4,614,045</u>

## 17. COMMITMENTS UNDER OPERATING LEASES

At 31st October 2002, the company had annual commitments under non - cancellable operating leases as set out below:-

	2 0 0 2 £	2 0 0 1 £
<b>Land and buildings</b>		
Operating leases which expire:		
Within one year	<u>7,500</u>	-
In second to fifth year	<u>-</u>	<u>7,500</u>
In over five years	<u>112,000</u>	<u>112,000</u>

## 18. CAPITAL COMMITMENTS

	2 0 0 2 £	2 0 0 1 £
Contracted for	<u>35,000</u>	<u>15,000</u>

**C & W BERRY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST OCTOBER 2002**

**19. RELATED PARTY TRANSACTIONS**

**a) Directors**

Other creditors include loans which subsisted throughout the period between the company and close family members of the directors.

The aggregate amounts included in the accounts in connection with these loans were as follows:-

**i) Balance sheet - Creditors**

	£
Falling due within one year	
Other creditors	16,894
Falling due after more than one year	
Other creditors	116,797
	<hr/>
	133,691
	<hr/>
Accruals	3,342
	<hr/>
	<hr/>
<b>ii) Profit and loss account:</b>	
Interest charged in the period	4,476
	<hr/>
	<hr/>

**b) C & W Berry Property Holdings Limited**

This company is a related party by virtue of the fact that the two companies have the following common shareholders and directors :

Mr D.J. Berry  
Mrs S.L. Taylor - Berry  
Mr G.W. Higham

The amounts included in the financial statements in respect of the above company are as follows :-

**i) Balance sheet - Debtors**

	£
Prepayments	15,517
	<hr/>
Other debtors	105,784
	<hr/>
	<hr/>

**ii) Profit and loss account:**

	£
Other operating charges - operating lease rentals in the period	100,440
	<hr/>
	<hr/>

## C &amp; W BERRY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST OCTOBER 2002

## 20. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES

	Year Ended 31st October 2002 £	29th October 2000 to 31st October 2001 £
Operating profit	827,475	678,956
Depreciation	157,285	134,937
Decrease / (increase) in stocks	329,397	(315,836)
Increase in debtors	(56,226)	(797,003)
Increase/(decrease) in creditors	240,770	(959,618)
	<u>1,498,701</u>	<u>(1,258,564)</u>

## 21. ANALYSIS OF CASH FLOW GIVEN IN CASH FLOW STATEMENT

## a) Returns on investments and servicing of finance

	Year Ended 31st October 2002 £	29th October 2000 to 31st October 2001 £
Dividends received	650	750
Interest received	219	38
Interest paid	(62,060)	(74,523)
	<u>(61,191)</u>	<u>(73,735)</u>

## b) Capital expenditure and financial investment

	Year Ended 31st October 2002 £	29th October 2000 to 31st October 2001 £
Purchase of fixed assets	(484,088)	(69,351)
Sale of fixed assets	1,836	286
	<u>(482,252)</u>	<u>(69,065)</u>

## c) Financing

	Year Ended 31st October 2002 £	29th October 2000 to 31st October 2001 £
Bank loan received	-	450,000
Decrease in bank and other loans	(57,760)	(50,499)
	<u>(57,760)</u>	<u>399,501</u>

## C &amp; W BERRY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST OCTOBER 2002

## 22. ANALYSIS OF NET DEBT

	At 1st November 2001 £	Cash flows £	At 31st October 2002 £
Cash in hand	4,061	(460)	3,601
Bank loans and overdrafts	(1,434,269)	773,002	(661,267)
Other loans:			
Due within one year	(15,511)	(1,383)	(16,894)
Due after more than one year	(133,690)	16,893	(116,797)
	<u>(1,579,409)</u>	<u>788,052</u>	<u>(791,357)</u>