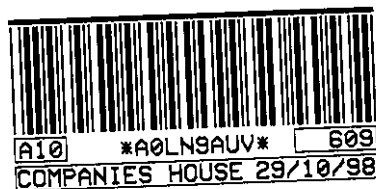


Company Number: 1479040

**EMLYN CANVAS AND CORDAGE  
COMPANY LIMITED**

**FINANCIAL STATEMENTS**

**31 December 1997**



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# **EMLYN CANVAS AND CORDAGE COMPANY LIMITED**

## **DIRECTORS' REPORT**

The directors present their report and the financial statements for the year ended 31 December 1997.

### **1 PRINCIPAL ACTIVITY**

The principal activity of the company is the production and hire of trade canvas goods.

### **2 DIRECTORS AND INTERESTS IN SHARES**

The directors at 31 December 1997, together with their interests, as defined by the Companies Act 1985, in shares of the company at that date and at the beginning of the year were as follows:

	<b>£1 ordinary 1997</b>	<b>£1 ordinary 1996</b>
J A Attwooll	-	100
N P Attwooll	-	100
P H Attwooll	-	-
Mrs S G Attwooll	-	-

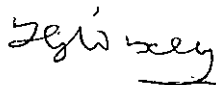
The directors interests in the shares of the ultimate parent company John Attwooll & Company (Tents) Limited are shown in that company's financial statements.

### **3 AUDITORS**

Hazlewoods have expressed their willingness to continue in office.

**This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.**

By order of the Board



T G WIXEY

Secretary

8 October 1998

## **EMLYN CANVAS AND CORDAGE COMPANY LIMITED**

### **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 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;
- 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' REPORT**

To the shareholders of

### **EMLYN CANVAS AND CORDAGE COMPANY LIMITED**

We have audited the financial statements on pages 4 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities.

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

As described on page 2 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 mis-statement, 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 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

  
HAZLEWOODS

Gloucester

Registered Auditors

8 October 1998

**EMLYN CANVAS AND CORDAGE COMPANY LIMITED****PROFIT AND LOSS ACCOUNT**

for the year ended 31 December 1997

	<b>Note</b>	<b>1997</b>	<b>1996</b>
<b>TURNOVER</b>		667,797	646,623
Cost of sales		(480,374)	(394,046)
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		187,423	252,577
Net operating expenses	<b>2</b>	(164,313)	(157,243)
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>	<b>3</b>	23,110	95,334
Interest receivable		49,994	40,273
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		73,104	135,607
Tax on profit on ordinary activities	<b>4</b>	(30,387)	(41,333)
		<hr/>	<hr/>
<b>RETAINED PROFIT FOR YEAR</b>		£ 42,717	£ 94,274
		<hr/> <hr/>	<hr/> <hr/>

# **EMLYN CANVAS AND CORDAGE COMPANY LIMITED**

## **BALANCE SHEET**

31 December 1997

	Note	1997	1996
<b>FIXED ASSETS</b>			
Tangible assets	5	98,660	110,070
<b>CURRENT ASSETS</b>			
Stocks		45,673	53,024
Debtors	6	796,259	821,174
Cash at bank and in hand		50,554	47,802
		892,486	922,000
<b>CREDITORS</b>			
due within one year	7	(127,164)	(209,006)
<b>NET CURRENT ASSETS</b>		765,322	712,994
<b>TOTAL ASSETS LESS</b>			
<b>CURRENT LIABILITIES</b>		863,982	823,064
<b>CREDITORS</b>			
due after more than one year	8	-	(1,186)
<b>PROVISIONS FOR LIABILITIES</b>			
<b>AND CHARGES</b>	9	(3,411)	(4,024)
		£ 860,571	£ 817,854
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	200	200
Other reserves	11	6,494	6,494
Profit and loss account	11	853,877	811,160
<b>SHAREHOLDERS' FUNDS</b>		£ 860,571	£ 817,854

The balance sheet is continued on page 6.

**EMLYN CANVAS AND CORDAGE COMPANY LIMITED**

**BALANCE SHEET (Continued)**

31 December 1997

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

Approved by the board on 8 October 1998.

P H ATTWOOLL - Director

A handwritten signature in black ink, appearing to be 'P H ATTWOOLL', written over a horizontal line.



# **EMLYN CANVAS AND CORDAGE COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 December 1997

### **1 ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention, adopting the following principal accounting policies.

#### **Turnover**

Turnover represents the amounts, excluding value added tax, receivable during the year for goods and services supplied.

#### **Depreciation**

Depreciation is calculated to write off the cost or valuation less estimated residual value of tangible assets over their estimated useful lives at the following rates:

Leasehold property	2% of cost per annum
Plant and machinery	15% of written down value
Motor vehicles	25% of written down value

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value.

#### **Deferred Taxation**

Provision is made for deferred taxation using the liability method (calculated at the rate at which it is estimated that tax will be payable) in respect of timing differences between profits as computed for tax purposes and profits as stated in the financial statements, to the extent that those differences will give rise to tax liabilities in the foreseeable future.

#### **Operating Leases**

The cost of and income from operating leases is charged and credited to the profit and loss account on a straight line basis over the lease term.

#### **Cash Flow Statement**

The company has not presented a cash flow statement on the grounds that the company qualifies as a small company within the meaning of Financial Reporting Standard Number 1 and hence is exempt from the requirements thereof. The directors are of the opinion that the costs of preparing such a statement would outweigh the benefits to the company.

# EMLYN CANVAS AND CORDAGE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 1997

### 1 ACCOUNTING POLICIES (Continued)

#### Hire Purchase and Finance Leases

Assets acquired under hire purchase and finance leases are recorded in the balance sheet as tangible fixed assets at their equivalent value. The corresponding liability is included under creditors due within or after one year. The interest element is charged to the profit and loss account and represents a constant proportion of the balance of capital repayments outstanding.

2	NET OPERATING EXPENSES	1997	1996
	Administrative expenses	165,098	158,005
	Other operating income	(785)	(762)
		<hr/>	<hr/>
		£ 164,313	£ 157,243
		<hr/>	<hr/>

### 3 OPERATING PROFIT

Operating profit is stated after charging:	£	£
Depreciation of fixed assets	11,042	12,044
Auditors' remuneration	2,000	2,000
	<hr/>	<hr/>

### 4 TAX ON PROFIT ON ORDINARY ACTIVITIES

#### The charge for taxation comprises:

Corporation tax at 31% (1996: 29%)	31,000	38,830
Deferred taxation	(613)	425
Under provided in previous year	-	2,078
	<hr/>	<hr/>
	£ 30,387	£ 41,333
	<hr/>	<hr/>

# **EMLYN CANVAS AND CORDAGE COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 December 1997

### **5 TANGIBLE FIXED ASSETS**

	Leasehold property	Plant & machinery	Motor vehicles	Total
<b>Cost</b>				
At 1 January 1997	75,027	76,681	52,311	204,019
Additions	-	571	-	571
Disposals	-	-	(13,945)	(13,945)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1997	75,027	77,252	38,366	190,645
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 January 1997	9,823	52,431	31,695	93,949
Charge for year	893	3,690	6,459	11,042
Disposals	-	-	(13,006)	(13,006)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1997	10,716	56,121	25,148	91,985
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 31 December 1997	£ 64,311	£ 21,131	£ 13,218	£ 98,660
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 1996	£ 65,204	£ 24,250	£ 20,616	£ 110,070
	<hr/>	<hr/>	<hr/>	<hr/>

Net book values £4,744 (1996: £7,115) in respect of assets held under finance lease and hire purchase contracts.

### **6 DEBTORS**

	1997	1996
Trade debtors	122,568	115,349
Group undertakings	664,217	702,231
Prepayments and accrued income	3,106	3,594
Other debtors	6,368	-
	<hr/>	<hr/>
	£ 796,259	£ 821,174
	<hr/>	<hr/>

# **EMLYN CANVAS AND CORDAGE COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 December 1997

<b>7</b>	<b>CREDITORS - due within one year</b>	<b>1997</b>	<b>1996</b>
	<b>Borrowings:</b>		
	Hire purchase and finance lease obligations	-	4,743
		<hr/>	<hr/>
	<b>Other creditors:</b>		
	Trade creditors	20,387	7,867
	Group undertakings	1,186	140,316
	Accruals and deferred income	55,965	6,838
	Taxation and social security	16,391	10,412
	Corporation tax	31,000	38,830
	Other creditors	2,235	-
		<hr/>	<hr/>
	<b>Total creditors due within one year</b>	<b>£ 127,164</b>	<b>£ 209,006</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>8</b>	<b>CREDITORS - due after more than one year</b>		
	<b>Borrowings:</b>		
	Hire purchase and finance lease obligations	£ -	£ 1,186
		<hr/>	<hr/>
<b>9</b>	<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>		
	<b>Deferred taxation:</b>		
	Balance at beginning of year	4,024	3,599
	Transfer from profit and loss account	(613)	425
		<hr/>	<hr/>
	Balance at end of year	£ 3,411	£ 4,024
		<hr/>	<hr/>
	<b>The deferred taxation provision comprises:</b>		
	Capital allowances in excess of corresponding charge for depreciation	£ 3,411	£ 4,024
		<hr/>	<hr/>
<b>10</b>	<b>SHARE CAPITAL</b>		
	<b>Authorised:</b>		
	10,000 ordinary shares of £1 each	£ 10,000	£ 10,000
		<hr/>	<hr/>
	<b>Allotted and fully paid:</b>		
	200 ordinary shares of £1 each	£ 200	£ 200
		<hr/>	<hr/>

# **EMLYN CANVAS AND CORDAGE COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 December 1997

<b>11 RESERVES</b>	<b>Profit &amp; loss account</b>	<b>Capital reserve</b>	<b>Total</b>
At beginning of year	811,160	6,494	817,654
Transfer from profit and loss account in year	42,717	-	42,717
	<hr/>	<hr/>	<hr/>
At end of year	£ 853,877	£ 6,494	£ 860,371
	<hr/>	<hr/>	<hr/>

## **12 TRANSACTIONS WITH RELATED PARTIES**

The company paid charges to its parent company for services as follows:-

Management charges	75,000
Hire charges	58,000
	<hr/>
	£ 133,000
	<hr/>

## **13 PARENT COMPANY**

The ultimate parent company of the only group of which the company is a member is John Attwooll & Company (Tents) Limited which is registered in England and Wales.