

Company No : 01765236

FORSTER & HALES LIMITED

FINANCIAL STATEMENTS

31 JANUARY 1995

Baker Tilly  
Chartered Accountants  
Iveco Ford House  
Station Road  
Watford  
Herts WD1 1TG



**FORSTER & HALES LIMITED**

**DIRECTORS AND OFFICERS**

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**DIRECTORS**

C M Dunn  
P J H Rudge

**SECRETARY**

P J H Rudge

**COMPANY NUMBER**

01765236

**REGISTERED OFFICE**

2 Bloomsbury Street  
London  
WC1B 3ST

**AUDITORS**

Baker Tilly  
Chartered Accountants  
Iveco Ford House  
Station Road  
Watford  
Herts WD1 1TG

# FORSTER & HALES LIMITED

## DIRECTORS' REPORT

The directors submit their report and the financial statements of Forster & Hales Limited for the year ended 31 January 1995.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of a general engineering and manufacturing business for the motor trade.

### REVIEW OF THE BUSINESS

The directors consider that the company's state of affairs is satisfactory and that future results will be of a similar nature.

### RESULTS AND DIVIDENDS

The trading profit for the year after taxation was £102,967.

The directors do not recommend payment of a dividend.

It is proposed that the retained profit of £102,967 is transferred to reserves.

### DIRECTORS

The following directors have held office since 1 February 1994:-

C M Dunn  
P J H Rudge

### DIRECTORS' INTERESTS IN SHARES

Directors' interests in the shares of the company, including family interests, were as follows:-

	Ordinary shares of £1 each	
	1995	1994
C M Dunn	-	-
P J H Rudge	1	1

### FIXED ASSETS

The significant changes in fixed assets during the year are explained in note 8 to the financial statements.

### AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board

P J H Rudge

Secretary

Date: 21st August 1995

## FORSTER & HALES LIMITED

### DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS for the year ended 31 January 1995

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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:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

## AUDITORS' REPORT TO THE MEMBERS OF FORSTER & HALES LIMITED

We have audited the financial statements on pages 5 to 12.

### Respective responsibilities of directors and auditors

As described on page 3 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 at 31 January 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Registered Auditor  
Chartered Accountants  
Iveco Ford House  
Station Road  
Watford  
Herts WD1 1TG

Date: 21st August 1995

**FORSTER & HALES LIMITED**

**PROFIT AND LOSS ACCOUNT  
for the year ended 31 January 1995**

	Notes	1995	1994
TURNOVER	1	1,289,145	1,047,923
Cost of sales		657,796	546,126
Gross profit		631,349	501,797
Other operating expenses (net)	2	502,949	394,393
OPERATING PROFIT		128,400	107,404
Other interest receivable and similar income	3	9,114	3,433
		137,514	110,837
Interest payable and similar charges	4	167	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	137,347	110,837
Taxation	7	34,380	(9,273)
PROFIT FOR THE FINANCIAL YEAR	13	£ 102,967	£ 120,110

The operating profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

**FORSTER & HALES LIMITED**

**BALANCE SHEET**  
**31 January 1995**

	Notes	1995	1994
<b>FIXED ASSETS</b>			
Tangible assets	8	24,842	16,577
<b>CURRENT ASSETS</b>			
Stocks	9	48,119	51,612
Debtors	10	281,858	268,713
Cash at bank and in hand		377,501	199,825
		<u>707,478</u>	<u>520,150</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	(487,818)	(395,192)
<b>NET CURRENT ASSETS</b>			
		<u>219,660</u>	<u>124,958</u>
		<u>£ 244,502</u>	<u>£ 141,535</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	20,002	20,002
Profit and loss account	13	224,500	121,533
<b>SHAREHOLDERS' FUNDS</b>			
	14	<u>£ 244,502</u>	<u>£ 141,535</u>

Approved by the Board on 21st August 1995

  
 .....Director

# FORSTER & HALES LIMITED

Financial statements for the year ended 31 January 1995

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

### TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Equipment	25% straight line
Fixtures, fittings and equipment	15% straight line
Motor vehicles	25% straight line

### STOCK

Stock is valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

### DEFERRED TAXATION

Provision is made for taxation deferred or accelerated by the effect of timing differences, to the extent that it is probable that a liability will crystallise, at the rate expected to be ruling at that date.

### LEASED ASSETS

The annual rentals on 'operating leases' are charged to the profit and loss account on a straight line basis over the lease term.

### TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.



**FORSTER & HALES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 January 1995

1. TURNOVER

The company's turnover and profit before taxation were all derived from its principal activity wholly undertaken in the U.K.

2. OTHER OPERATING EXPENSES (NET)	1995 £	1994 £
Administration expenses	525,977	416,325
Other operating income	(23,028)	(21,932)
	<u>502,949</u>	<u>394,393</u>

3. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME	1995 £	1994 £
Bank interest receivable	8,452	3,433
Other interest receivable	662	-
	<u>9,114</u>	<u>3,433</u>

4. INTEREST PAYABLE	1995 £	1994 £
On overdue tax	167	-
	<u>167</u>	<u>-</u>

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1995 £	1994 £
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation of tangible assets:		
Charge for the year:		
owned assets	7,535	5,165
Operating lease rentals:		
Land and buildings	66,000	66,000
Auditors' remuneration	4,000	4,000
	<u></u>	<u></u>

**FORSTER & HALES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 January 1995

6. EMPLOYEES

The average weekly number of persons (including directors) employed by the company during the year was:

	1995 No.	1994 No.
Office and management	3	3
Manufacturing	12	9
	<u>15</u>	<u>12</u>

	£	£
Staff costs for the above persons:		
Wages and salaries	178,733	130,342
Social security costs	18,164	12,885
	<u>196,897</u>	<u>143,227</u>

DIRECTORS' REMUNERATION

	£	£
Emoluments (including pension contributions and benefits in kind)	<u>4,606</u>	<u>1,417</u>

7. TAXATION

	1995 £	1994 £
Based on the profit for the year:		
UK Corporation tax at 25% (1994 - 25%)	34,380	27,892
(Over) provided in earlier years	-	(37,165)
	<u>34,380</u>	<u>(9,273)</u>

**FORSTER & HALES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 January 1995

8. TANGIBLE FIXED ASSETS

	Equipment	Fixtures, fittings and equipment	Motor vehicles	TOTAL
Cost				
1 February 1994	41,938	34,606	53,809	130,353
Additions	-	15,800	-	15,800
31 January 1995	41,938	50,406	53,809	146,153
Depreciation:				
1 February 1994	41,938	30,779	41,059	113,776
Charge for year	-	3,285	4,250	7,535
31 January 1995	41,938	34,064	45,309	121,311
Net book value:				
31 January 1995	-	16,342	8,500	£ 24,842
31 January 1994	-	3,827	12,750	£ 16,577

9. STOCKS	1995	1994
	£	£
Raw materials and consumables	48,119	51,612

10. DEBTORS	1995	1994
	£	£
Due within one year:		
Trade debtors	263,365	201,056
Amounts owed by group undertaking	-	27,971
Corporation tax	-	27,342
Other debtors	15,709	9,709
Prepayments and accrued income	2,784	2,635
	281,858	268,713

**FORSTER & HALES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 January 1995

11.	CREDITORS	1995 £	1994 £
	Amounts falling due within one year:		
	Trade creditors	301,350	286,189
	Amounts owed to group undertaking	83,055	-
	Proposed dividend	476	476
	Corporation tax	34,380	27,892
	Other taxation and social security costs	50,519	60,111
	Other creditors	3,850	990
	Accruals and deferred income	14,188	19,534
		<u>487,818</u>	<u>395,192</u>
12.	SHARE CAPITAL	1995 £	1994 £
	Authorised:		
	1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
	Allotted, issued and fully paid:		
	20,002 Ordinary shares of £1 each	<u>20,002</u>	<u>20,002</u>
13.	PROFIT AND LOSS ACCOUNT	1995 £	1994 £
	Balance at 1 February 1994	121,533	1,423
	Transfer from profit and loss account	102,967	120,110
	Retained profits at 31 January 1995	<u>224,500</u>	<u>121,533</u>
14.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	1995 £	1994 £
	Profit for the financial year	102,967	120,110
	Opening shareholders' funds	141,535	21,425
	Closing shareholders' funds	<u>244,502</u>	<u>141,535</u>

FORSTER & HALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 January 1995

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15. COMMITMENTS UNDER OPERATING LEASES

At 31 January 1995 the company had annual commitments under non-cancellable operating leases as follows:

	1995	1994
	£	£
Land and buildings: expiring after five years	66,000	66,000

16. ULTIMATE PARENT COMPANY

The directors regard Forster and Hales (Holdings) Limited which is registered in England, as the company's ultimate holding company.