

**DEANE & AMOS SHOPFITTING  
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 1999



# **DEANE & AMOS SHOPFITTING LIMITED**

## **FINANCIAL STATEMENTS**

For the year ended 31 March 1999

---

Company registration number: 1834418

Registered office: South Portway Close  
Round Spinney  
Northampton  
NN3 4RH

Directors: M A Deane  
A J Tipping  
N J Humphries

Secretary: N J Humphries

Bankers: National Westminster Bank PLC  
P O Box 21  
41 The Drapery  
Northampton  
NN1 2EY

Solicitors: Eyton Morris Winfield  
Eleanor House  
Queenswood Office Park  
Northampton  
NN4 7JJ

Auditors: Grant Thornton  
Registered auditors  
Chartered accountants

# **DEANE & AMOS SHOPFITTING LIMITED**

## **FINANCIAL STATEMENTS**

For the year ended 31 March 1999

---

<b>INDEX</b>	<b>PAGE</b>
Report of the directors	1 - 2
Report of the auditors	3
Principal accounting policies	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 14

# DEANE & AMOS SHOPFITTING LIMITED

## REPORT OF THE DIRECTORS

---

The directors present their report together with financial statements for the year ended 31 March 1999.

### Principal activities

The company is principally engaged in shopfitting.

### Business review

There was a profit for the year after taxation amounting to £317,740. The directors recommend payment of dividends of £250,000.

### Directors

The present membership of the Board is set out below. All directors served throughout the year.

Mr A J Tipping retires by rotation and being eligible offers himself for re-election.

The interests of the directors in the shares of the company as at 1 April 1998 and 31 March 1999 were as follows:

	Ordinary shares	
	31 March 1999	1 April 1998
M A Deane	-	-
A J Tipping	-	-
N J Humphries	-	-

The interests of the directors who are all directors of the parent undertaking are disclosed in that company's financial statements.

No director had, during or at the year end, a material interest in any contract which was significant in relation to the company's business.

### Charitable contributions

Donations to charitable organisations amounted to £325 (1998: £325).

### Directors' responsibilities for the financial statements

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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# DEANE & AMOS SHOPFITTING LIMITED

## REPORT OF THE DIRECTORS

---

### Year 2000 Compliance

Many computer systems which express dates using only the last two digits of the year may malfunction due to the date change to the Year 2000. This risk to the business relates not only to the company's computer systems, but also to some degree on those of the company's customers and suppliers.

The company has reviewed its computer systems for the impact of the Year 2000 date change. An impact analysis has been prepared to identify the major risks, and action plans have been developed to address these in advance of critical dates. The plans give priority to the systems which could have a significant financial or legal impact if they were to fail.

The company has requested from major customers, suppliers and other trading partners with whom information is traded electronically, confirmation that their relevant systems are Year 2000 compliant.

The issue is complex, and no business can guarantee that there will be no Year 2000 problems. However, the Board believes that its plans and the resources allocated are appropriate and adequate to address the issue.

### Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD

M A Deane  
Director



11 August 1999

**REPORT OF THE AUDITORS TO THE MEMBERS OF  
DEANE & AMOS SHOPFITTING LIMITED**

We have audited the financial statements on pages 4 to 14 which have been prepared under the accounting policies set out on pages 4 to 5.

**Respective responsibilities of directors and auditors**

As described on page 1 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.

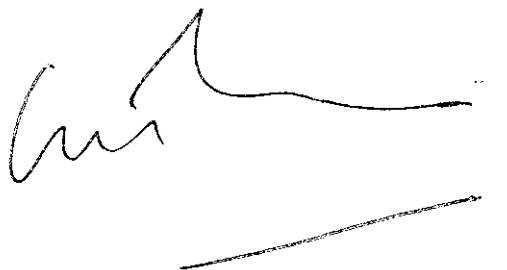
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or other irregularity 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 31 March 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS**

NORTHAMPTON  
11 August 1999



# **DEANE & AMOS SHOPFITTING LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

---

### **BASIS OF PREPARATION**

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

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

### **TURNOVER**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

In the case of long-term contracts, turnover reflects the contract activity during the year and represents the proportion of total contract value which costs incurred to date bear to total expected contract costs.

### **DEPRECIATION**

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by the reducing balance method over their expected useful lives. The rates generally applicable are:

Plant and machinery	20%
Motor vehicles	25%
Fixtures and fittings	20%

### **LONG-TERM CONTRACTS**

The attributable profit on long-term contracts is recognised once their outcome can be assessed with reasonable certainty. The profit recognised reflects the proportion of work completed to date on the project.

Costs associated with long-term contracts are included in stock to the extent that they cannot be matched with contract work accounted for as turnover. Long-term contract balances included in stocks are stated at cost, after provision has been made for any foreseeable losses and the deduction of applicable payments on account.

Full provision is made for losses on all contracts in the year in which the loss is first foreseen.

### **STOCKS**

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

### **DEFERRED TAXATION**

Deferred tax is provided for using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

### **FOREIGN CURRENCIES**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences are dealt with through the profit and loss account.

## **DEANE & AMOS SHOPFITTING LIMITED**

### **PRINCIPAL ACCOUNTING POLICIES**

---

#### **CONTRIBUTIONS TO PENSION FUNDS**

##### **Defined contribution scheme**

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

#### **LEASED ASSETS**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

**DEANE & AMOS SHOPFITTING LIMITED****PROFIT AND LOSS ACCOUNT**

For the year ended 31 March 1999

	Note	1999 £	1998 £
<b>Turnover</b>	1	<b>9,761,035</b>	8,907,599
Cost of sales		<b>(7,522,685)</b>	(7,484,789)
Gross profit		<b>2,238,350</b>	1,422,810
Other operating income and charges	2	<b>(1,761,502)</b>	(1,295,093)
<b>Operating profit</b>		<b>476,848</b>	127,717
Net interest	3	<b>(14,364)</b>	907
<b>Profit on ordinary activities before taxation</b>	1	<b>462,484</b>	128,624
Tax on profit on ordinary activities	5	<b>(144,744)</b>	(30,522)
<b>Profit for the financial year</b>	16	<b>317,740</b>	98,102
Dividends Equity	6	<b>(250,000)</b>	-
<b>Profit transferred to reserves</b>	15	<b>67,740</b>	98,102

There were no recognised gains or losses other than the profit for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

# DEANE & AMOS SHOPFITTING LIMITED

## BALANCE SHEET AT 31 MARCH 1999

	Note	1999 £	1999 £	1998 £	1998 £
<b>Fixed assets</b>					
Tangible assets	7		191,734		137,047
<b>Current assets</b>					
Stocks	8	238,163		529,161	
Debtors	9	2,676,858		1,529,309	
Cash at bank and in hand		1,506		153,195	
		<u>2,916,527</u>		<u>2,211,665</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(2,774,591)</u>		<u>(2,099,957)</u>	
<b>Net current assets</b>			141,936		111,708
<b>Total assets less current liabilities</b>			<u>333,670</u>		<u>248,755</u>
<b>Creditors: amounts falling due after more than one year</b>	11		(71,830)		(55,384)
<b>Provisions for liabilities and charges</b>	12		(8,703)		(7,974)
			<u>253,137</u>		<u>185,397</u>
<b>Capital and reserves</b>					
Called up share capital	14		100		100
Profit and loss account	15		253,037		185,297
<b>Shareholders' funds</b>	16		<u>253,137</u>		<u>185,397</u>

The financial statements were approved by the Board of Directors on 11 August 1999.

M A Deane

Director

A J Tipping

Director

The accompanying accounting policies and notes form an integral part of these financial statements.

# DEANE & AMOS SHOPFITTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1999

### 1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit before taxation are attributable to shopfitting.

The profit on ordinary activities is stated after:

	1999 £	1998 £
Auditors' remuneration	5,575	5,400
Depreciation:		
Tangible fixed assets, owned	23,357	8,182
Tangible fixed assets, held under finance leases and hire purchase contracts	31,237	30,404
Hire of plant and machinery	49,151	24,058
Other operating lease rentals	100,000	100,000
Interest receivable from group undertakings	-	(14,496)

### 2 COST OF SALES AND OTHER OPERATING INCOME AND CHARGES

	1999 Total £	1998 Total £
Cost of sales	7,522,685	7,484,789
Other operating income and charges:		
Distribution costs	10,084	(3,738)
Administrative expenses	1,759,641	1,306,805
Other operating income	(8,223)	(7,974)
	1,761,502	1,295,093

### 3 NET INTEREST

	1999 £	1998 £
Finance charges in respect of finance leases	10,488	7,780
Other interest payable and similar charges	3,876	5,809
	14,364	13,589
Other interest receivable and similar income	-	(14,496)
	14,364	(907)

# DEANE & AMOS SHOPFITTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1999

### 4 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	1999 £	1998 £
Wages and salaries	1,608,868	1,302,362
Social security costs	157,084	123,714
Other pension costs	49,404	16,449
	<u>1,815,356</u>	<u>1,442,525</u>

The average number of employees of the company during the year was 68 (1998: 64).

Remuneration in respect of directors was as follows:

	1999 £	1998 £
Emoluments	200,000	-
Pension contributions to money purchase pension schemes	31,332	-
	<u>231,332</u>	<u>-</u>

During the year 3 (1998: Nil) directors participated in money purchase pension schemes.

The amounts set out above include remuneration in respect of the highest paid director as follows:

	1999 £	1998 £
Emoluments	133,333	-
Pension contributions to money purchase pension schemes	6,667	-
	<u>140,000</u>	<u>-</u>

A charge of £383,661 (1998: £352,038) in respect of the provision of management services has been made by Deane & Amos Group Limited. It is not possible to identify separately that part of the charge relating to directors' emoluments.

### 5 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge represents:

	1999 £	1998 £
Corporation tax at 31% (1998: 31%)	144,015	22,958
Deferred taxation	729	7,974
	<u>144,744</u>	<u>30,932</u>
Adjustments in respect of prior periods:		
Corporation tax	-	(410)
	<u>144,744</u>	<u>30,522</u>

# DEANE & AMOS SHOPFITTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1999

### 6 DIVIDENDS

	1999 £	1998 £
Ordinary shares - proposed final dividend of £2,500 per share	250,000	-

### 7 TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 April 1998	227,196	118,302	16,877	362,375
Additions	24,800	64,621	29,816	119,237
	251,996	182,923	46,693	481,612
Disposals	-	(23,600)	-	(23,600)
At 31 March 1999	251,996	159,323	46,693	458,012
Depreciation				
At 1 April 1998	153,102	66,386	5,840	225,328
Provided in the year	19,779	26,645	8,170	54,594
	172,881	93,031	14,010	279,922
Eliminated on disposals	-	(13,644)	-	(13,644)
At 31 March 1999	172,881	79,387	14,010	266,278
Net book amount at 31 March 1999	79,115	79,936	32,683	191,734
Net book amount at 31 March 1998	74,094	51,916	11,037	137,047

The figures stated above include assets held under finance leases and similar hire purchase contracts, as follows:

	Plant and machinery £	Motor vehicles £
Net book amount at 31 March 1999	41,920	62,270
Net book amount at 31 March 1998	52,400	51,916
Depreciation provided in the year	10,480	20,757

**DEANE & AMOS SHOPFITTING LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 1999

**8 STOCKS**

	1999 £	1998 £
Long-term contract balances:		
Cost less provision for foreseeable losses	-	479,044
Raw materials and consumable stores	31,345	31,098
Short-term work in progress	206,818	19,019
	<u>238,163</u>	<u>529,161</u>

**9 DEBTORS**

	1999 £	1998 £
Trade debtors	1,252,127	111,643
Amounts owed by group undertakings	1,393,514	70,966
Amounts recoverable on contracts	-	1,316,721
Pension contributions	324	371
Prepayments and accrued income	30,893	29,608
	<u>2,676,858</u>	<u>1,529,309</u>

**10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	1999 £	1998 £
Bank overdraft	240,301	-
Trade creditors	1,513,471	1,818,135
Amounts owed to group undertakings	139,700	129,395
Corporation tax	144,015	22,959
Social security and other taxes	235,408	75,711
Proposed dividends	250,000	-
Other creditors	11,270	11,407
Accruals and deferred income	213,058	14,231
Amounts due under finance leases	27,368	28,119
	<u>2,774,591</u>	<u>2,099,957</u>

The bank overdraft is secured by a fixed and floating charge over all of the company's assets.

# DEANE & AMOS SHOPFITTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1999

### 11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1999 £	1998 £
Amounts due under finance leases	71,830	55,384
Borrowings are repayable as follows:	1999 £	1998 £
Within one year		
Bank and other borrowings	240,301	-
Finance leases	27,368	28,119
After one and within two years		
Finance leases	25,849	20,559
After two and within five years		
Finance leases	45,981	34,825
	339,499	83,503

### 12 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £
At 1 April 1998	7,974
Provided during the year	729
At 31 March 1999	8,703

### 13 DEFERRED TAXATION

Deferred taxation provided for in the financial statements is set out below.

	Amount provided 1999 £	1998 £
Accelerated capital allowances	8,703	7,974

# DEANE & AMOS SHOPFITTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1999

### 14 SHARE CAPITAL

	1999 £	1998 £
Authorised 100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid 100 ordinary shares of £1 each	100	100

### 15 RESERVES

	Profit and loss account £
At 1 April 1998	185,297
Retained profit for the year	67,740
At 31 March 1999	253,037

### 16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1999 £	1998 £
Profit for the financial year	317,740	98,102
Dividends	(250,000)	-
Net increase in shareholders' funds	67,740	98,102
Shareholders' funds at 1 April 1998	185,397	87,295
Shareholders' funds at 31 March 1999	253,137	185,397

### 17 CAPITAL COMMITMENTS

The company had no capital commitments at 31 March 1999 or 31 March 1998.

### 18 CONTINGENT LIABILITIES

At 31 March 1999 a cross guarantee for all other group bank borrowings was in place secured by a fixed and floating charge over all of the company's assets. The maximum potential liability at 31 March 1999 was £Nil (1998: £Nil).

# DEANE & AMOS SHOPFITTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1999

### 19 PENSIONS

#### Defined Contribution Scheme

The company operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

### 20 LEASING COMMITMENTS

Operating lease payments amounting to £166,252 (1998: £128,462) are due within one year. The leases to which these amounts relate expire as follows:

	1999		1998	
	Land and buildings £	Other £	Land and buildings £	Other £
In one year or less	-	1,812	-	824
Between one and five years	-	64,440	-	25,697
In five years or more	100,000	-	100,000	1,941
	<u>100,000</u>	<u>66,252</u>	<u>100,000</u>	<u>28,462</u>

### 21 TRANSACTIONS WITH RELATED PARTIES

As a wholly-owned subsidiary of Deane & Amos Group Limited, the company is exempt from the requirements of FRS8 to disclose transactions with other members of the group headed by Deane & Amos Group Limited.

### 22 CONTROLLING RELATED PARTY

The directors consider that the controlling related party and ultimate parent undertaking of this company is its parent company Deane & Amos Group Limited.