

BANNER HARDWARE LIMITED

FINANCIAL STATEMENTS

31 MAY 1995

Registered number: 1984649

LITTLE & COMPANY

CHARTERED ACCOUNTANTS

Gloucester



BANNER HARDWARE LIMITED

FINANCIAL STATEMENTS

for the year ended 31 May 1995

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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BANNER HARDWARE LIMITED

COMPANY INFORMATION

31 May 1995

COMPANY NUMBER	1984649
DIRECTORS	A.J.Uren
SECRETARY	Mr.G.M.Guthrie
REGISTERED OFFICE	11 Gold Tops Newport Gwent NP9 4UJ
AUDITORS	Little & Company Chartered Accountants 45 Park Road Gloucester GL1 1LP

BANNER HARDWARE LIMITED**DIRECTORS' REPORT****31 May 1995**

The directors present their report and the audited financial statements for the year ended 31 May 1995.

Principal activity

The principal activity of the company in the year under review continued to be that of wholesalers of ironmongery.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:-

	31 May 1995 Ordinary shares	1 June 1994 Ordinary shares
A.J.Uren	2	2

Auditors

Little & Company have agreed to offer themselves for re-appointment as auditors of the company.

Small company exemptions

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

On behalf of the board



Mr.A.J Uren
Directory

11 Gold Tops
Newport
Gwent
NP9 4UJ

28 March 1996

BANNER HARDWARE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law 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 we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

28 March 1996

On behalf of the board



A.J.Uren
Director

BANNER HARDWARE LIMITED

AUDITORS' REPORT

Auditors' report to the members of

Banner Hardware Limited

We have audited the financial statements on pages 5 - 11 which have been prepared under the accounting policies set out on page 7.

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

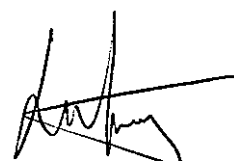
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 error or other irregularity. 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 May 1995 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.

Gloucester
28 March 1996



Little & Company
Registered Auditors
Chartered Accountants

BANNER HARDWARE LIMITED**PROFIT AND LOSS ACCOUNT**

for the year ended 31 May 1995

	Note	1995 £	1994 £
Turnover	2	1,286,762	1,134,324
Cost of sales		<u>(854,926)</u>	<u>(752,787)</u>
Gross profit		431,836	381,537
Net operating expenses			
Distribution costs		(41,652)	(34,514)
Administrative expenses		<u>(255,067)</u>	<u>(204,937)</u>
Operating profit	3	135,117	142,086
Investment income		-	1,000
Interest payable		<u>(17,989)</u>	<u>(11,642)</u>
Profit on ordinary activities before taxation		117,128	131,444
Taxation		<u>(30,698)</u>	<u>(28,810)</u>
Profit on ordinary activities after taxation retained for the year	12	<u>86,430</u>	<u>102,634</u>

Movements in reserves are shown in the notes to the financial statements.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1995 or 1994 other than the profit for the year.

BANNER HARDWARE LIMITED

BALANCE SHEET

at 31 May 1995

	Note	1995 £	1994 £
Fixed assets			
Tangible assets	5	138,312	145,328
Current assets			
Stocks		524,540	390,000
Debtors	6	266,173	253,822
Cash at bank and in hand		<u>2,371</u>	<u>3,839</u>
		793,084	647,661
Creditors: amounts falling due within one year	7	<u>(398,408)</u>	<u>(315,477)</u>
Net current assets		<u>394,676</u>	<u>332,184</u>
Total assets less current liabilities		532,988	477,512
Creditors: amounts falling due after more than one year	8	<u>(7,115)</u>	<u>(38,069)</u>
		<u><u>525,873</u></u>	<u><u>439,443</u></u>
Capital and reserves			
Called up share capital	10	2	2
Share premium account	11	49,998	49,998
Profit and loss account	12	<u>475,873</u>	<u>389,443</u>
Total shareholders' funds	9	<u><u>525,873</u></u>	<u><u>439,443</u></u>

The directors have taken advantage in the preparation of these financial statements of special exemptions provided by Part I of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The financial statements on pages 5 - 11 were approved by the board of directors on 28 March 1996.



A.J. Uren
Director

BANNER HARDWARE LIMITED**NOTES ON FINANCIAL STATEMENTS****31 May 1995****1 Accounting policies****Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

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

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

2 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax.

In the opinion of the directors, 6% of the turnover of the company is attributable to geographical markets outside the UK. (1994 7%)

BANNER HARDWARE LIMITED
NOTES ON FINANCIAL STATEMENTS
31 May 1995

3 Operating profit

	1995	1994
	£	£
Operating profit is stated after crediting		
Profit on sale of assets	<u>2,344</u>	<u>2,400</u>
and after charging		
Auditors' remuneration	2,000	1,850
Operating leases		
Rent	<u>35,915</u>	<u>22,227</u>
Depreciation of tangible fixed assets (note 5)		
owned assets	35,413	17,048
leased assets	<u>17,950</u>	<u>16,200</u>
	<u>53,363</u>	<u>33,248</u>

4 Directors

	1995	1994
	£	£
Directors' emoluments	<u>29,331</u>	<u>39,485</u>

BANNER HARDWARE LIMITED

NOTES ON FINANCIAL STATEMENTS

31 May 1995

5 Tangible fixed assets

Cost or valuation	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Total £
1 June 1994	117,125	134,173	42,459	293,757
Additions	10,024	34,575	1,748	46,347
Disposals	(31,375)	(20,424)	(2,085)	(53,884)
31 May 1995	<u>95,774</u>	<u>148,324</u>	<u>42,122</u>	<u>286,220</u>
Depreciation				
1 June 1994	55,150	66,475	26,804	148,429
Charge for year	22,900	23,035	7,428	53,363
Disposals	(31,375)	(20,424)	(2,085)	(53,884)
31 May 1995	<u>46,675</u>	<u>69,086</u>	<u>32,147</u>	<u>147,908</u>
Net book amount				
31 May 1995	<u>49,099</u>	<u>79,238</u>	<u>9,975</u>	<u>138,312</u>
1 June 1994	<u>61,975</u>	<u>67,698</u>	<u>15,655</u>	<u>145,328</u>

The net book amount of fixed assets includes £37,650 (1994 £55,600) in respect of assets held under finance leases and hire purchase contracts, the depreciation of which is shown in note 3.

6 Debtors

	1995 £	1994 £
Amounts falling due within one year		
Trade debtors	249,251	246,689
Other debtors	<u>16,922</u>	<u>7,133</u>
	<u>266,173</u>	<u>253,822</u>

7 Creditors: amounts falling due within one year

	1995 £	1994 £
Bank overdraft (secured)	156,541	72,293
Trade creditors	71,201	99,863
Other creditors	<u>170,666</u>	<u>143,321</u>
	<u>398,408</u>	<u>315,477</u>

BANNER HARDWARE LIMITED

NOTES ON FINANCIAL STATEMENTS

31 May 1995

8 Creditors: amounts falling due
after more than one year

	1995 £	1994 £
Other creditors	<u>7,115</u>	<u>38,069</u>
	<u>7,115</u>	<u>38,069</u>

Obligations under finance leases
and hire purchase contracts

Amounts included above are repayable
over varying periods by monthly
instalments as follows:

In the next year	34,530	16,547
In the second to fifth year	<u>7,115</u>	<u>38,069</u>
	<u>41,645</u>	<u>54,616</u>

9 Reconciliation of movements in shareholders' funds

	1995 £	1994 £
Profit for the financial year representing a Net addition to shareholders' funds	86,430	102,634
Opening shareholders' funds	<u>439,443</u>	<u>336,809</u>
Closing shareholders' funds	<u>525,873</u>	<u>439,443</u>

10 Called up share capital

	1995		1994	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary £1 shares	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted called up and fully paid				
Ordinary £1 shares	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

BANNER HARDWARE LIMITED
NOTES ON FINANCIAL STATEMENTS

31 May 1995

11 Share premium account

1995
£

1 June 1994
and
31 May 1995

49,998

12 Profit and loss account

1995
£

1 June 1994
Retained profit for the year

389,443
86,430

31 May 1995

475,873

13 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31 May 1996

	1995	1994
	Land and	Land and
	Buildings	Buildings
	£	£
Expiring		
After five years	<u>37,209</u>	<u>23,072</u>
	<u>37,209</u>	<u>23,072</u>