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W.J. ARMENT & SON LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2004



W.J. ARMENT & SON LIMITED

COMPANY INFORMATION

Directors	M J Arment R W A Arment C A Arment
Secretary	C A Arment
Company number	02433268 - England and Wales
Registered office	7/9 Westmoreland Road London SE17 2AX
Auditors	Ingle Bhatti & Co 102-104 Park Lane Croydon Surrey CR0 1JB
Business address	7/9 Westmoreland Road London SE17 2AX

W.J. ARMENT & SON LIMITED

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W.J. ARMENT & SON LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2004

The directors present their report and financial statements for the year ended 31 March 2004.

Principal activities

The principal activity of the company continued to be that of an eel and pie restaurant.

Directors

The following directors have held office since 1 April 2003:

M J Arment
R W A Arment
C A Arment

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 March 2004	1 April 2003
M J Arment	-	-
R W A Arment	50	50
C A Arment	50	50

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Ingle Bhatti & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

Directors' responsibilities

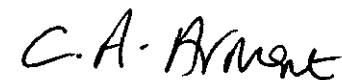
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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.

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

On behalf of the board



C A Arment
Director
8 September 2004

W.J. ARMENT & SON LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF W.J. ARMENT & SON LIMITED

We have audited the financial statements of W.J. Arment & Son Limited on pages 3 to 8 for the year ended 31 March 2004. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ingle Bhatti & Co
Chartered Accountants
Registered Auditor

8 September 2004
102-104 Park Lane
Croydon
Surrey
CR0 1JB

W.J. ARMENT & SON LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2004

	Notes	2004 £	2003 £
Turnover		453,141	442,481
Cost of sales		(313,659)	(303,065)
Gross profit		139,482	139,416
Administrative expenses		(121,074)	(123,511)
Operating profit	2	18,408	15,905
Other interest receivable and similar income		2,653	3,452
Profit on ordinary activities before taxation		21,061	19,357
Tax on profit on ordinary activities	3	(5,353)	(5,015)
Profit on ordinary activities after taxation		15,708	14,342
Dividends		(30,000)	(40,000)
Retained loss for the year	9	(14,292)	(25,658)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

W.J. ARMENT & SON LIMITED

BALANCE SHEET AS AT 31 MARCH 2004

	Notes	2004 £	£	2003 £	£
Fixed assets					
Tangible assets	4		28,880		45,202
Current assets					
Stocks		3,791		5,817	
Debtors	5	13,324		12,941	
Cash at bank and in hand		129,486		128,841	
		<u>146,601</u>		<u>147,599</u>	
Creditors: amounts falling due within one year	6	<u>(84,646)</u>		<u>(87,674)</u>	
Net current assets			61,955		59,925
Total assets less current liabilities			<u>90,835</u>		<u>105,127</u>
Capital and reserves					
Called up share capital	8		100		100
Other reserves	9		63,847		63,847
Profit and loss account	9		26,888		41,180
Shareholders' funds - equity interests	10		<u>90,835</u>		<u>105,127</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 8 September 2004

C. A. Arment

C A Arment
Director

R W A Arment

R W A Arment
Director

W.J. ARMENT & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant, equipment and fittings	15% on reducing balance
Motor vehicles	25% on cost

1.4 Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

1.5 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Operating profit

	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	22,799	22,248
Auditors' remuneration	3,000	2,872
Directors' emoluments	26,800	32,800

W.J. ARMENT & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

3	Taxation	2004	2003
		£	£
	Domestic current year tax		
	U.K. corporation tax	5,353	5,015
	Current tax charge	<u>5,353</u>	<u>5,015</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	21,061	19,357
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2003: 19.00%)	<u>4,002</u>	<u>3,678</u>
	Effects of:		
	Depreciation add back	4,331	4,227
	Capital allowances	(2,151)	(2,323)
	Other tax adjustments	(829)	(567)
		<u>1,351</u>	<u>1,337</u>
	Current tax charge	<u>5,353</u>	<u>5,015</u>
4	Tangible fixed assets		
		Plant, equipment and fittings	Motor vehicles
		£	£
	Cost		
	At 1 April 2003	91,678	77,787
	Additions	6,477	-
	At 31 March 2004	<u>98,155</u>	<u>77,787</u>
	Depreciation		
	At 1 April 2003	75,808	48,455
	Charge for the year	3,352	19,447
	At 31 March 2004	<u>79,160</u>	<u>67,902</u>
	Net book value		
	At 31 March 2004	<u>18,995</u>	<u>9,885</u>
	At 31 March 2003	<u>15,870</u>	<u>29,332</u>

W.J. ARMENT & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

5	Debtors	2004 £	2003 £
	Other debtors	721	100
	Prepayments and accrued income	12,603	12,841
		<u>13,324</u>	<u>12,941</u>

6	Creditors: amounts falling due within one year	2004 £	2003 £
	Trade creditors	1,175	1,391
	Corporation tax	5,353	5,015
	Other taxes and social security costs	25,196	23,593
	Directors' current accounts	38,416	46,098
	Other creditors	171	187
	Accruals and deferred income	14,335	11,390
		<u>84,646</u>	<u>87,674</u>

7 Pension costs

The company operates a defined contribution pension scheme in respect of two directors and several staff. The assets of the scheme are held separately from those of the company and are invested with an insurance company. Contributions to the scheme totalled £10,756 (2003- £13,158) in the year, net of staff contributions. Included in this sum are contributions in respect of two directors of £6,800 (2003- 8,800).

Defined contribution

	2004 £	2003 £
Contributions payable by the company for the year	<u>10,756</u>	<u>13,158</u>

8	Share capital	2004 £	2003 £
	Authorised		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	Allotted, called up and fully paid		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

W.J. ARMENT & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2004

9 Statement of movements on reserves

	Other reserves (see below)	Profit and loss account
	£	£
Balance at 1 April 2003	63,847	41,180
Retained loss for the year	-	(14,292)
Balance at 31 March 2004	<u>63,847</u>	<u>26,888</u>
Other reserves		
Reserves for own shares		
Balance at 1 April 2003 & at 31 March 2004	<u>63,847</u>	

10 Reconciliation of movements in shareholders' funds

	2004 £	2003 £
Profit for the financial year	15,708	14,342
Dividends	(30,000)	(40,000)
Net depletion in shareholders' funds	(14,292)	(25,658)
Opening shareholders' funds	<u>105,127</u>	<u>130,785</u>
Closing shareholders' funds	<u>90,835</u>	<u>105,127</u>