

**WESTMORE BUSINESS SYSTEMS LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30TH NOVEMBER 1997**

**Registered Number  
2741960**



**ORMEROD RUTTER**

**CHARTERED ACCOUNTANTS**

**WESTMORE BUSINESS SYSTEMS LIMITED**

**COMPANY INFORMATION**

**Company Number:** 2741960

**Director:** Mr D. Weston  
Mrs P.S.L. Weston

**Secretary:** Mrs P.S.L. Weston

**Registered Office:** 10-12 Feckenham Road  
Astwood Bank  
Near Redditch  
Worcestershire  
B96 6DS

**Auditors:** Ormerod Rutter  
Chartered Accountants  
The Oakley  
Kidderminster Road  
Droitwich  
Worcestershire

**WESTMORE BUSINESS SYSTEMS LIMITED**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH NOVEMBER 1997**

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# **WESTMORE BUSINESS SYSTEMS LIMITED**

## **DIRECTOR'S REPORT**

### **FOR THE YEAR ENDED 30TH NOVEMBER 1997**

The director presents his report and the financial statements for the year ended 30th November 1997.

#### **Principal activities**

The principal activity of the company continues to be that of the supply of postal franking machines together with other office equipment and related consumables.

#### **Director's interests**

The director of the company during the year and his interests in the ordinary share capital of the company as recorded in the register of directors' interests was as follows:

	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
Mr D. Weston	99	99
Mrs P.S.L. Weston	1	1

#### **Responsibilities of the directors**

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

The auditors, Ormerod Rutter, Chartered Accountants, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**WESTMORE BUSINESS SYSTEMS LIMITED**

**DIRECTOR'S REPORT (Continued)**

**FOR THE YEAR ENDED 30TH NOVEMBER 1997**

This report was approved by the board on 31st July 1998 and 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**



.....  
Mrs P.S.L Weston  
(Company Secretary)

**AUDITORS' REPORT**  
**TO THE SHAREHOLDERS OF**  
**WESTMORE BUSINESS SYSTEMS LIMITED**  
**FOR THE YEAR ENDED 30TH NOVEMBER 1997**

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies on page 6.

**Respective responsibilities of director and auditors**

As described in the director's report the company's director is 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 director 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 misstatements, 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 30th November 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.

  
Chartered Accountants

.....  
Ormerod Rutter  
Registered Auditor  
Chartered Accountants  
The Oakley  
Kidderminster Road  
Droitwich  
Worcestershire

31st July 1998

**WESTMORE BUSINESS SYSTEMS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30TH NOVEMBER 1997**

	Note	1997 £	1996 £
<b>Turnover</b>	2	998,645	1,001,689
Cost of sales		551,391	624,644
<b>Gross profit</b>		<u>447,254</u>	<u>377,045</u>
Administrative expenses		395,665	358,095
		<u>51,589</u>	<u>18,950</u>
Other operating income		510	-
<b>Operating profit</b>	3	<u>52,099</u>	<u>18,950</u>
Other interest receivable and similar income		997	1,048
<b>Profit on ordinary activities before taxation</b>		<u>53,096</u>	<u>19,998</u>
Tax on profit on ordinary activities	4	(11,700)	(5,114)
<b>Retained profit for the year</b>		<u>£ 41,396</u>	<u>£ 14,884</u>

The company has made no acquisitions nor discontinued any operations within the meaning of Financial Reporting Standard No. 3 during 1997 or 1996 therefore turnover and operating profit derive entirely from continuing operations.

The company has no recognised gains or losses other than the profit for the financial year.

The annexed notes form part of these financial statements.


**WESTMORE BUSINESS SYSTEMS LIMITED**


**BALANCE SHEET**

**AT 30TH NOVEMBER 1997**

	Note	1997		1996	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		18,120		13,398
<b>Current assets</b>					
Stocks	6	24,735		10,062	
Debtors	7	92,055		74,128	
Cash at bank and in hand		32,045		51,121	
		<u>148,835</u>		<u>135,311</u>	
<b>Creditors</b>					
Amounts falling due within one year	8	97,574		120,724	
<b>Net current assets</b>			<u>51,261</u>		<u>14,587</u>
<b>Total assets less current liabilities</b>			<u>69,381</u>		<u>27,985</u>
<b>Net assets</b>			<u>£ 69,381</u>		<u>£ 27,985</u>
<b>Capital and reserves</b>					
Called up share capital	9		100		100
Profit and loss account	10		69,281		27,885
<b>Shareholders' funds</b>	11		<u>£ 69,381</u>		<u>£ 27,985</u>

Approved by the board of directors on 31st July 1998 and signed on its behalf. These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

  
 .....  
 Mr D. Weston  
 (Director)

  
 .....  
 Mrs P.S.L. Weston  
 (Director)

The annexed notes form part of these financial statements.



**WESTMORE BUSINESS SYSTEMS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH NOVEMBER 1997**

**1. Accounting policies**

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the director's report and which is continuing.

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 a small company.

**Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

**Depreciation and diminution in value of assets**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office Equipment,	
Fixtures and Fittings	10% reducing balance basis
Rental Machines	33% reducing balance basis

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**Deferred taxation**

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for financial statements purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent it is considered that a net liability may crystallise.

**2. Turnover**

Turnover is attributable solely to continuing operations and derives from one activity that of the supply of postal franking machines together with other office equipment and related consumables.

**WESTMORE BUSINESS SYSTEMS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS(Continued)**  
**FOR THE YEAR ENDED 30TH NOVEMBER 1997**

**3. Operating profit**

	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Directors' emoluments	6,368	6,160
Auditors' remuneration and expenses	3,250	3,000
Depreciation of owned assets	2,613	2,383
	<hr/>	<hr/>

**4. Tax on profit on ordinary activities**

	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
United Kingdom corporation tax at 21%/24% (1996 : 24%/25%)	11,700	5,114
	<hr/>	<hr/>

On the 1st April 1997 the corporation tax rate changed from 24% to 21%. The corporation tax charge for the year has been calculated accordingly.

**5. Tangible fixed assets**

	<b>Rental Machines £</b>	<b>Office Equipment Fixtures and Fittings £</b>	<b>Total £</b>
Cost:			
At 1st December 1996	3,500	16,535	20,035
Additions	-	7,335	7,335
	<hr/>	<hr/>	<hr/>
At 30th November 1997	3,500	23,870	27,370
	<hr/>	<hr/>	<hr/>
Depreciation:			
At 1st December 1996	1,155	5,482	6,637
Charge for the year	774	1,839	2,613
	<hr/>	<hr/>	<hr/>
At 30th November 1997	1,929	7,321	9,250
	<hr/>	<hr/>	<hr/>
Net book value:			
At 30th November 1997	£ 1,571	£16,549	£18,120
	<hr/>	<hr/>	<hr/>
At 30th November 1996	£ 2,345	£11,053	£13,398
	<hr/>	<hr/>	<hr/>

**WESTMORE BUSINESS SYSTEMS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS(Continued)**  
**FOR THE YEAR ENDED 30TH NOVEMBER 1997**

**6. Stocks**

	1997 £	1996 £
Products for resale	24,735	10,062
	<u>£24,735</u>	<u>£10,062</u>

**7. Debtors**

	1997 £	1996 £
<b>Due within one year:</b>		
Trade debtors	91,242	69,214
Other debtors	813	4,914
	<u>£92,055</u>	<u>£74,128</u>

**8. Creditors - amounts falling due within one year**

	1997 £	1996 £
Trade creditors	65,516	98,213
Taxation and social security	20,231	11,470
Other creditors	11,827	11,041
	<u>£ 97,574</u>	<u>£120,724</u>

**9. Share capital**

	1997 £	1996 £
<b>Authorised</b>		
Ordinary shares of £1 each	1,000	1,000
	<u>          </u>	<u>          </u>
<b>Allotted, called up and fully paid</b>		
Ordinary shares of £1 each	100	100
	<u>          </u>	<u>          </u>

**WESTMORE BUSINESS SYSTEMS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS(Continued)**  
**FOR THE YEAR ENDED 30TH NOVEMBER 1997**

**10. Profit and loss account**

	<b>1997</b>
	<b>£</b>
Balance at 1st December 1996	27,885
Profit retained for the year	41,396
Balance at 30th November 1997	<u>£ 69,281</u>

**11. Reconciliation of movements in shareholders' funds**

	<b>1997</b>	<b>1996</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	41,396	14,884
Opening shareholders' funds	27,985	13,101
Closing shareholders' funds	<u>£ 69,381</u>	<u>£ 27,985</u>

**12. Transactions with directors and officers**

Mrs P. Weston had throughout the year an interest in Westmore Supplies Limited and Westmore Rentals Limited. The company has traded with these companies under normal commercial trading terms.