

Abbreviated Financial Statements
for the Year Ended 30 April 1999
for
Blowers Green Timber Co Limited



Contents of the Financial Statements
for the Year Ended 30 April 1999

	Page
Company Information	1
Report of the Directors	2
Report of the Auditors on the Abbreviated Financial Statements	4
Abbreviated Profit and Loss Account	5
Abbreviated Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Abbreviated Financial Statements	10

Blowers Green Timber Co Limited

Company Information
for the Year Ended 30 April 1999

DIRECTORS: J H A Dawson
E N Taylor

SECRETARY: J H A Dawson

REGISTERED OFFICE: Halesowen Road
Netherton
Dudley
West Midlands
DY2 9PU

REGISTERED NUMBER: 925314

AUDITORS: Nicklin & Co.
Chartered Accountants
Registered Auditors
Church Court
Stourbridge Road
Halesowen
West Midlands B63 3TT

Blowers Green Timber Co Limited

Report of the Directors for the Year Ended 30 April 1999

The directors present their report with the financial statements of the company for the year ended 30 April 1999.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of timber merchants.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 30 April 1999.

FIXED ASSETS

Significant changes in fixed assets are shown in note 6 to the financial statements.

DIRECTORS

The directors during the year under review were:

J H A Dawson
E N Taylor

The beneficial interests of the directors holding office on 30 April 1999 in the issued share capital of the company were as follows:

	30.4.99	1.5.98
Ordinary £1 shares		
J H A Dawson	36,000	36,000
E N Taylor	-	-

YEAR 2000

The year 2000 potentially has wide ranging financial and operational consequences. The company has carried out reviews to identify areas where year 2000 compliance is necessary. Where problems have been identified, rectification work will be carried out in order to minimise the level of year 2000 risk to which the company is exposed.

SUBSTANTIAL SHAREHOLDINGS

At 30 April 1999, Mr M W Dawson held 33,000 shares.

STATEMENT OF 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.

Blowers Green Timber Co Limited

Report of the Directors
for the Year Ended 30 April 1999

AUDITORS

The auditors, Nicklin & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in dark ink, appearing to read 'J H A Dawson', is written over a horizontal line.

J H A Dawson - DIRECTOR

Dated: 24 August 1999

Blowers Green Timber Co Limited

Report of the Auditors to
Blowers Green Timber Co Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages five to fifteen, together with the full financial statements of the company for the year ended 30 April 1999 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to fifteen are properly prepared in accordance with that provision.



Nicklin & Co.
Chartered Accountants
Registered Auditors
Church Court
Stourbridge Road
Halesowen
West Midlands B63 3TT

Dated: 24 August 1999

Blowers Green Timber Co Limited

Abbreviated Profit and Loss Account
for the Year Ended 30 April 1999

		1999		1998	
	Notes	£	£	£	£
GROSS PROFIT			426,979		560,909
Distribution costs		71,405		78,196	
Administrative expenses		<u>382,193</u>	<u>453,598</u>	<u>404,406</u>	<u>482,602</u>
OPERATING (LOSS)/PROFIT	3		(26,619)		78,307
Interest payable and similar charges	4		<u>79,472</u>		<u>43,117</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			(106,091)		35,190
Tax on (loss)/profit on ordinary activities	5		<u>20,163</u>		<u>(3,632)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			(126,254)		38,822
Retained profit brought forward			<u>81,485</u>		<u>42,663</u>
(DEFICIT)/RETAINED PROFIT CARRIED FORWARD			<u>£(44,769)</u>		<u>£81,485</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

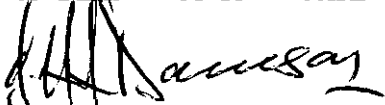
Blowers Green Timber Co Limited

Abbreviated Balance Sheet
30 April 1999

		1999		1998	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		104,285		117,080
CURRENT ASSETS:					
Stocks	7	320,331		425,422	
Debtors	8	699,776		874,658	
		1,020,107		1,300,080	
CREDITORS: Amounts falling due within one year	9	886,981		1,045,428	
NET CURRENT ASSETS:			133,126		254,652
TOTAL ASSETS LESS CURRENT LIABILITIES:			237,411		371,732
CREDITORS: Amounts falling due after more than one year	10		(180,000)		(187,150)
PROVISIONS FOR LIABILITIES AND CHARGES:	13		(3,180)		(4,097)
			<u>£54,231</u>		<u>£180,485</u>
CAPITAL AND RESERVES:					
Called up share capital	14		69,000		69,000
Capital redemption reserve	15		30,000		30,000
Profit and loss account			(44,769)		81,485
Shareholders' funds	18		<u>£54,231</u>		<u>£180,485</u>

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

ON BEHALF OF THE BOARD:


J H A Dawson - DIRECTOR

Approved by the Board on 24 August 1999

Blowers Green Timber Co Limited

Cash Flow Statement
for the Year Ended 30 April 1999

	Notes	1999		1998	
		£	£	£	£
Net cash inflow from operating activities	1		61,827		177,141
Returns on investments and servicing of finance	2		(79,472)		(43,117)
Taxation			(15,300)		(19,662)
Capital expenditure	2		(9,539)		(27,489)
(Decrease)/Increase in cash in the period			<u>£(42,484)</u>		<u>£86,873</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
(Decrease)/Increase in cash in the period			(42,484)		86,873
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing			<u>7,800</u>		<u>(14,950)</u>
Change in net debt resulting from cash flows			<u>(34,684)</u>		<u>71,923</u>
Movement in net debt in the period			<u>(34,684)</u>		<u>71,923</u>
Net debt at 1 May 1998			<u>(238,986)</u>		<u>(310,909)</u>
Net debt at 30 April 1999			<u>£(273,670)</u>		<u>£(238,986)</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 30 April 1999

1. **RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	1999 £	1998 £
Operating (loss)/profit	(26,619)	78,307
Depreciation charges	22,334	24,374
Decrease in stocks	105,091	4,066
Decrease/(Increase) in debtors	158,352	(11,805)
(Decrease)/Increase in creditors	(197,331)	82,199
Net cash inflow from operating activities	<u>61,827</u>	<u>177,141</u>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	1999 £	1998 £
Returns on investments and servicing of finance		
Interest paid	(78,598)	(42,964)
Interest element of hire purchase or finance lease rentals payments	(874)	(153)
Net cash outflow for returns on investments and servicing of finance	<u>(79,472)</u>	<u>(43,117)</u>
Capital expenditure		
Purchase of tangible fixed assets	(9,539)	(29,989)
Sale of tangible fixed assets	-	2,500
Net cash outflow for capital expenditure	<u>(9,539)</u>	<u>(27,489)</u>

Notes to the Cash Flow Statement
for the Year Ended 30 April 1999

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.5.98 £	Cash flow £	At 30.4.99 £
Net cash:			
Cash at bank and in hand	-	-	-
Bank overdraft	(224,036)	(42,484)	(266,520)
	<u>(224,036)</u>	<u>(42,484)</u>	<u>(266,520)</u>
Debt:			
Hire purchase or finance leases	(14,950)	7,800	(7,150)
	<u>(14,950)</u>	<u>7,800</u>	<u>(7,150)</u>
Total	<u>(238,986)</u>	<u>(34,684)</u>	<u>(273,670)</u>
Analysed in Balance Sheet			
Bank overdraft	(224,036)		(266,520)
Hire purchase or finance leases			
within one year	(7,800)		(7,150)
after one year	(7,150)		-
	<u>(238,986)</u>		<u>(273,670)</u>

Notes to the Abbreviated Financial Statements
for the Year Ended 30 April 1999

1. ACCOUNTING POLICIES

Going concern

The financial statements are prepared on a going concern basis on the assumption that finance will continue to be made available to the company and that the director makes some repayment of his loan account (see note 17).

Accounting convention

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

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 20% on reducing balance

Stocks

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

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	1999	1998
	£	£
Wages and salaries	200,004	220,922
Other pension costs	1,210	-
	<u>201,214</u>	<u>220,922</u>

Notes to the Abbreviated Financial Statements
for the Year Ended 30 April 1999

2. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	1999	1998
Selling and administrative	4	4
Operatives	4	4
	<u>—</u>	<u>—</u>
	8	8
	<u>==</u>	<u>==</u>

3. OPERATING (LOSS)/PROFIT

The operating loss (1998 - operating profit) is stated after charging:

	1999	1998
	£	£
Depreciation - owned assets	18,499	24,049
Depreciation - assets on hire purchase contracts or finance leases	3,835	325
Auditors' remuneration	6,250	6,200
	<u>==</u>	<u>==</u>
Directors' emoluments	66,400	73,300
Directors' pension contributions to money purchase schemes	1,210	-
	<u>==</u>	<u>==</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	1	1
	<u>==</u>	<u>==</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	1999	1998
	£	£
Bank interest	27,277	19,290
Loan interest	50,474	23,557
Interest on taxation	847	117
Hire purchase	874	153
	<u>==</u>	<u>==</u>
	79,472	43,117
	<u>==</u>	<u>==</u>

5. TAXATION

The tax charge/(credit) on the loss on ordinary activities for the year was as follows:

	1999	1998
	£	£
UK corporation tax	-	10,750
Taxation earlier years	21,080	(14,508)
Deferred taxation	(917)	126
	<u>==</u>	<u>==</u>
	20,163	(3,632)
	<u>==</u>	<u>==</u>

UK corporation tax was charged at 21% in 1998.

Notes to the Abbreviated Financial Statements
for the Year Ended 30 April 1999

6. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
COST:				
At 1 May 1998	110,216	56,204	255,317	421,737
Additions	-	9,539	-	9,539
	<u>110,216</u>	<u>65,743</u>	<u>255,317</u>	<u>431,276</u>
At 30 April 1999				
DEPRECIATION:				
At 1 May 1998	104,493	41,323	158,841	304,657
Charge for year	1,432	1,608	19,294	22,334
	<u>105,925</u>	<u>42,931</u>	<u>178,135</u>	<u>326,991</u>
At 30 April 1999				
NET BOOK VALUE:				
At 30 April 1999	<u>4,291</u>	<u>22,812</u>	<u>77,182</u>	<u>104,285</u>
At 30 April 1998	<u>5,723</u>	<u>14,881</u>	<u>96,476</u>	<u>117,080</u>

Fixed assets, included in the above, which are held under hire purchase contracts or finance leases are as follows:

	Motor vehicles
	£
COST:	
At 1 May 1998 and 30 April 1999	<u>19,500</u>
DEPRECIATION:	
At 1 May 1998	325
Charge for year	<u>3,835</u>
At 30 April 1999	<u>4,160</u>
NET BOOK VALUE:	
At 30 April 1999	<u>15,340</u>
At 30 April 1998	<u>19,175</u>

7. STOCKS

	1999	1998
	£	£
Stock of timber	<u>320,331</u>	<u>425,422</u>

Notes to the Abbreviated Financial Statements
for the Year Ended 30 April 1999

8. **DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1999 £	1998 £
Trade debtors	304,299	494,669
Other debtors	351,386	316,869
Prepayments	44,091	46,590
Corporation Tax Recoverable	-	16,530
	<u>699,776</u>	<u>874,658</u>

9. **CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	1999 £	1998 £
Bank loans and overdrafts (see note 11)	266,520	224,036
Loan Pension Scheme (see note 11)	20,000	20,000
Trade creditors	362,638	516,677
Hire purchase	7,150	7,800
Other creditors	34,528	49,261
Social security & other taxes	51,480	97,445
Taxation	-	10,750
Accrued expenses	144,665	119,459
	<u>886,981</u>	<u>1,045,428</u>

10. **CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	1999 £	1998 £
Loan Pension Scheme (see note 11)	180,000	180,000
Hire purchase	-	7,150
	<u>180,000</u>	<u>187,150</u>

Notes to the Abbreviated Financial Statements
for the Year Ended 30 April 1999

11. **LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	1999 £	1998 £
Amounts falling due within one year or on demand:		
Bank overdrafts	266,520	224,036
Loan Pension Scheme	20,000	20,000
	<u>286,520</u>	<u>244,036</u>
Amounts falling due between one and two years:		
Loan Pension Scheme	<u>20,000</u>	<u>20,000</u>
Amounts falling due between two and five years:		
Loan Pension Scheme	<u>60,000</u>	<u>60,000</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Loan Pension Scheme	<u>100,000</u>	<u>100,000</u>

The loan is repayable over ten years by equal quarterly instalments of £5,000 each, together with interest at the rate of 12.51778 per cent.

12. **SECURED DEBTS**

The following secured debts are included within creditors:

	1999 £	1998 £
Bank overdrafts	<u>266,520</u>	<u>224,036</u>

Secured by a standard bank debenture.

13. **PROVISIONS FOR LIABILITIES AND CHARGES**

	1999 £	1998 £
Deferred taxation	<u>3,180</u>	<u>4,097</u>
	Deferred taxation	
	£	
Balance at 1 May 1998	4,097	
Decrease in provision	(917)	
Balance at 30 April 1999	<u>3,180</u>	

Notes to the Abbreviated Financial Statements
for the Year Ended 30 April 1999

14. **CALLED UP SHARE CAPITAL**

Authorised: Number:	Class:	Nominal value:	1999 £	1998 £
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	1999 £	1998 £
69,000	Ordinary	£1	<u>69,000</u>	<u>69,000</u>

15. **CAPITAL REDEMPTION RESERVE**

	1999 £	1998 £
Brought forward	<u>30,000</u>	<u>30,000</u>

16. **PENSION COMMITMENTS**

The company operates defined contribution pension schemes on behalf of a director and certain employees. The assets of the schemes are held separately from those of the company in independently administered funds. Contributions are paid based upon recommendations of a qualified actuary. The annual commitment under these schemes is for contributions of £210 (1998 £210).

17. **TRANSACTIONS WITH DIRECTORS**

A) Included in other debtors is an overdrawn directors loan account of £322,193, due from J H A Dawson. The liability at the beginning of the year amounted to £291,712 and the maximum liability during the year was £322,193.

B) J H A Dawson guarantees the company's indebtedness to its bankers, Lloyds Bank plc, up to a maximum of £200,000. The company's actual indebtedness to its bankers at 30 April 1999 was £266,520.

18. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1999 £	1998 £
(Loss)/Profit for the financial year	<u>(126,254)</u>	<u>38,822</u>
NET (REDUCTION)/ADDITION TO SHAREHOLDERS' FUNDS	<u>(126,254)</u>	<u>38,822</u>
Opening shareholders' funds	<u>180,485</u>	<u>141,663</u>
CLOSING SHAREHOLDERS' FUNDS	<u>54,231</u>	<u>180,485</u>
Equity interests	<u>54,231</u>	<u>180,485</u>

19. **CONTROL RELATIONSHIP**

The company is under the control of Mr J H A Dawson, a director of the company.