

DAWSONS RADIO LIMITED

Registrar of Companies

Company Number 697132

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30TH APRIL 1999



NEWTON, MAGNUS & COMPANY
ACCOUNTANTS

Arrowsmith Court
Station Approach
Broadstone
Dorset BH18 8AT



DAWSONS RADIO LIMITED

REPORT AND FINANCIAL STATEMENTS YEAR ENDED 30TH APRIL 1999

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DAWSONS RADIO LIMITED

DIRECTORS REPORT

Directors: P J Dawson
K P Dawson
C G Brown

Registered Office: Arrowsmith Court, Station Approach,
Broadstone, Dorset. BH18 8AT.

The Directors present their annual report and financial statements for the year ended 30th April 1999.

ACTIVITIES

The Company's principal activity is the sale, repair and hire of television and radio receivers, and this continued throughout the year under review.

DIRECTORS

The Directors who served during the year under review, together with their interest in the capital of the Company, were as follows

	<u>Ordinary Shares of £1 each</u> <u>at beginning and end of year</u>	
	<u>30.4.1999</u>	<u>30.4.1998</u>
P J Dawson	1003	1003
K P Dawson	975	975
C G Brown	0	0

DIRECTORS RESPONSIBILITIES

- 1 In compliance with legal requirements, the directors have prepared financial statements for the year ended 30th April 1999 which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the loss for the year ended on that date.
- 2 The financial statements have been prepared in accordance with the applicable accounting standards.
- 3 The directors report that the business is a going concern.
- 4 The directors have adopted suitable accounting policies which have been consistently applied in the preparation of the financial statements for the year ended 30th April 1999 and these have been supported by reasonable and prudent judgements and estimates.
- 5 The directors are responsible for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities

AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution proposing the re-appointment of Newton, Magnus and Company as auditors of the Company will be put to the Annual General Meeting.

DAWSONS RADIO LIMITED

DIRECTORS REPORT - continued

SMALL COMPANIES

The directors report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'C G Brown', written in a cursive style.

C G Brown
Secretary

DAWSONS RADIO LIMITED

AUDITORS REPORT TO THE MEMBERS OF DAWSONS RADIO LIMITED

We have audited the financial statements on pages 4 to 12 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on pages 7 and 8.

Respective responsibilities of the directors and auditors

As described on page 1 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.

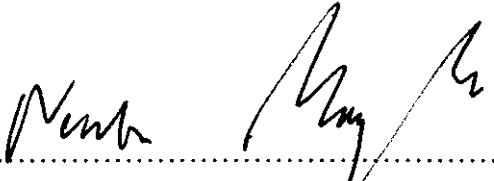
Basis of opinion

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 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 financial affairs at 30th April 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


.....
NEWTON, MAGNUS & COMPANY
REGISTERED AUDITORS

Arrowsmith Court
Station Approach
Broadstone
Dorset BH18 8AT

date 11.2.2000

DAWSONS RADIO LIMITED

PROFIT & LOSS ACCOUNT

YEAR ENDED 30TH APRIL 1999

	<u>Notes</u>	<u>1999</u> £	<u>1998</u> £
<u>TURNOVER</u>	1a	1,731,045	1,613,215
<u>LESS COST OF SALES</u>		1,184,991	1,108,148
		<hr/>	<hr/>
<u>GROSS PROFIT</u>		546,054	505,067
Administrative expenses		517,915	449,955
Other operating income		(3)	-
		<hr/>	<hr/>
<u>OPERATING PROFIT</u>		28,142	55,112
Interest receivable and similar income		7	6
Interest payable and similar charges		(29,927)	(9,686)
		<hr/>	<hr/>
<u>LOSS (1998 PROFIT) ON ORDINARY ACTIVITIES -</u> <u>before taxation</u>		(1,778)	45,432
Taxation	3	4,953	5,952
		<hr/>	<hr/>
<u>LOSS (1998 PROFIT) ON ORDINARY ACTIVITIES -</u> <u>after taxation</u>		(6,731)	39,480
Dividends	11	46,506	20,895
		<hr/>	<hr/>
<u>RETAINED LOSS (1998 PROFIT) FOR THE YEAR</u>		(53,237)	18,585
Retained profit brought forward		408,110	389,525
		<hr/>	<hr/>
<u>RETAINED PROFIT carried forward</u>		£354,873	£408,110
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 7 to 12 form part of these accounts.

DAWSONS RADIO LIMITED

BALANCE SHEET AS AT 30TH APRIL 1999

	Notes	<u>1999</u> £	<u>1998</u> £
<u>FIXED ASSETS</u>			
Tangible assets	1c & 4a	538,506	532,522
Intangible assets	1c & 5	-	-
		<hr/>	<hr/>
		538,506	532,522
		<hr/>	<hr/>
<u>CURRENT ASSETS</u>			
Stocks	1d	487,667	414,613
Debtors	7	28,136	25,825
Cash at bank and in hand		21,121	37,553
		<hr/>	<hr/>
		536,924	477,991
		<hr/>	<hr/>
<u>CREDITORS - amounts falling within one year</u>	8a	497,010	369,772
		<hr/>	<hr/>
<u>NET CURRENT ASSETS</u>		39,914	108,219
		<hr/>	<hr/>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		578,420	640,741
<u>CREDITORS - amounts falling due after one year</u>	8b	216,315	228,165
<u>PROVISION FOR CHARGES AND LIABILITIES</u>			
Deferred taxation	1e & 10	5,254	2,488
		<hr/>	<hr/>
<u>NET ASSETS carried forward</u>		356,851	410,088
		<hr/>	<hr/>

The notes on pages 7 to 12 form part of these accounts.

DAWSONS RADIO LIMITED

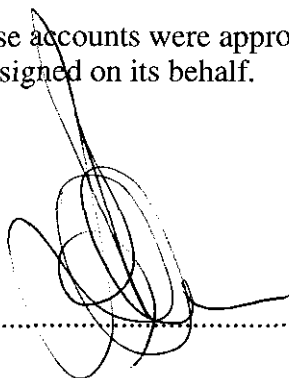
BALANCE SHEET AS AT 30TH APRIL 1999 - continued

	<u>Notes</u>	<u>1999</u> £	<u>1998</u> £
<u>NET ASSETS brought forward</u>		£356,851	£410,088
		=====	=====
<u>REPRESENTED BY</u>			
<u>CAPITAL AND RESERVES</u>			
Called-up share capital	2	1,978	1,978
Profit and loss account		354,873	408,110
		=====	=====
<u>MEMBERS FUNDS</u>		£356,851	£410,088
		=====	=====

The accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These accounts were approved by the board on the
and signed on its behalf.

11th February 2000



..... K P Dawson
Director

The notes on pages 7 to 12 form part of these accounts.

DAWSONS RADIO LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 30TH APRIL 1999

1 STATEMENT OF ACCOUNTING POLICIES

The accounts have been prepared in accordance with the accounting concepts set out in the Financial Reporting Standard for Smaller Entities (effective March 2000).

The accounting policies adopted by the Company are set out as part of these notes and unless otherwise specifically stated have been consistently applied for the current and preceding years.

a) Turnover

Turnover represents the invoiced value of goods and services supplied from ordinary activities, and is stated net of trade discounts and excluding sales taxes.

b) Accounting convention

The accounts have been prepared under the historical cost convention.

c) Fixed assets and depreciation

Fixed assets are stated at their purchase cost, together with any incidental expenses of acquisition. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost over their expected useful economic life, as follows:

Improvements to property	2% per annum on a straight line basis
Fixture, fittings and equipment	15% per annum on the reducing balance method
Television sets on hire	25% per annum on a straight line basis
Motor vehicles	15% per annum on the reducing balance method
Freehold property - land	0% (land cost is 50% of the purchase cost)
Freehold property - buildings	2% per annum on a straight line basis
Fixtures, fittings & equipment acquired after 1.5.95	15% per annum on a straight line basis
Computers acquired after 1.5.95	25% per annum on a straight line basis

Depreciation is not charged on assets sold or scrapped in the year, but a full year's depreciation is levied on assets capitalised or acquired at any time during the year.

d) Stock

Stocks have been valued by the directors consistently at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

e) Deferred taxation

This is calculated using the liability method. Provision is made to the extent that it is likely to crystallise in the foreseeable future.

DAWSONS RADIO LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 30TH APRIL 1999

continued

f) Pension schemes

The company operates two defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charged in the profit and loss account represents contributions payable by the company to the funds.

g) Hire purchase interest

Hire purchase interest has been calculated on a straight line basis over the expected period of the agreement.

h) Finance leases

The finance leasing charge has been calculated on a straight line basis over the repayment period of the agreement.

i) Operating leases

The operating lease is charged to the profit and loss account when paid over the length of the lease.

2 <u>CALLED UP SHARE CAPITAL</u>	<u>1999</u>	<u>1998</u>
	£	£
<u>Authorised</u>		
Ordinary shares of £1 each	2,000	2,000
	<hr/>	<hr/>
<u>Issued and fully paid</u>		
Ordinary shares of £1 each	1,978	1,978
	<hr/>	<hr/>

3 TAXATION

The charge in the profit and loss account is made up as follows:	<u>1999</u>	<u>1998</u>
Based on the profit for the year:	£	£
Corporation tax at 21% and 20%	2,187	7,393
Movement in deferred tax provision due to timing differences on capital allowances	2,766	(2,033)
Corporation tax adjustments relating to earlier years	-	592
	<hr/>	<hr/>
	4,953	5,952
	<hr/>	<hr/>

DAWSONS RADIO LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 30TH APRIL 1999 continued

4a TANGIBLE FIXED ASSETS

	<u>Freehold Property</u> £	<u>Fixtures, Fittings & Equipment</u> £	<u>Motor Vehicles</u> £	<u>Television Sets on Hire</u> £	<u>Improve- ments to Property</u> £	<u>Total</u> £
<u>COST</u>						
Opening balance	295,864	124,797	68,507	18,931	153,481	661,580
Additions	-	45,597	-	-	5,490	51,087
Closing balance	295,864	170,394	68,507	18,931	158,971	712,667
<u>DEPRECIATION</u>						
Opening balance	6,616	75,512	24,076	18,931	3,923	129,058
Charge for year	2,959	32,300	6,664	-	3,180	45,103
Closing balance	9,575	107,812	30,740	18,931	7,103	174,161
<u>NET BOOK VALUE</u>						
30th April 1999	£286,289	£62,582	£37,767	£ -	£151,868	£538,506
30th April 1998	£289,248	£49,285	£44,431	£ -	£149,558	£532,522

Gross amount of depreciable assets mixed with non depreciable assets

	<u>1999</u> £	<u>1998</u> £
Freehold land	147,932	147,932
Freehold buildings (depreciable)	147,932	147,932
	295,864	295,864

Depreciation charge for the year in respect of fixtures, fittings and equipment includes £19536 in respect of a diminution in value of fixtures and fittings at 23 Seamoor Road.

DAWSONS RADIO LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 30TH APRIL 1999 continued

4b TANGIBLE FIXED ASSETS held under finance leases/hire purchase

	<u>Fixtures, Fittings & Equipment</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
<u>COST</u>			
Opening balance	2,000	40,457	42,457
Additions	17,589	-	17,589
Obligation ceased	-	(9,773)	(9,773)
	<hr/>	<hr/>	<hr/>
Closing balance	19,589	30,684	50,273
	<hr/>	<hr/>	<hr/>
<u>DEPRECIATION</u>			
Opening balance	1,500	8,372	9,872
Charge for the year	3,138	3,912	7,050
Eliminated on Obligation ceasing	-	(3,770)	(3,770)
	<hr/>	<hr/>	<hr/>
Closing balance	4,638	8,514	13,152
	<hr/>	<hr/>	<hr/>
<u>NET BOOK VALUE</u>			
30th April 1999	£14,951	£22,170	£37,121
	<hr/>	<hr/>	<hr/>
30th April 1998	£500	£32,085	£32,585
	<hr/>	<hr/>	<hr/>

5 INTANGIBLE FIXED ASSETS - GOODWILL

	<u>1999</u> £	<u>1998</u> £
<u>COST</u>	5,000	5,000
	<hr/>	<hr/>
<u>DEPRECIATION</u>	5,000	5,000
	<hr/>	<hr/>
<u>NET BOOK VALUE</u>	-	-
	<hr/>	<hr/>

DAWSONS RADIO LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 30TH APRIL 1999 continued

6 <u>OPERATING PROFIT</u>	<u>1999</u>	<u>1998</u>
	£	£
This is stated after charging:		
Auditors' remuneration	3,000	3,000
Auditors' remuneration - non audit work	3,750	4,593
Depreciation of tangible fixed assets	45,102	23,240
Directors emoluments for management services	87,343	79,457
Profit (loss) on disposal of motor vehicle	-	(1,085)
Profit (loss) on disposal of freehold property	-	(4,946)

7 DEBTORS

These comprise amounts falling due within one year as follows:	<u>1999</u>	<u>1998</u>
	£	£
Trade debtors	13,686	3,434
Prepayments and accrued income	12,334	21,391
Other debtors	2,116	1,000
	<u>28,136</u>	<u>25,825</u>

8a CREDITORS - amounts falling due within one year

These comprise amounts falling due within one year as follows:	<u>1999</u>	<u>1998</u>
	£	£
Trade creditors	222,638	203,536
Other taxes and social security costs	46,014	37,178
Other creditors and accruals	28,559	27,227
Hire purchase creditor	8,218	7,574
Corporation tax	4,024	6,175
Directors loan account	23,970	6,573
Bank overdraft	156,087	73,493
Bank loan	7,500	8,016
	<u>497,010</u>	<u>369,772</u>

8b CREDITORS - amounts falling due after one year

	<u>1999</u>	<u>1998</u>
	£	£
Hire purchase creditor	13,527	18,321
Bank loan	202,788	209,844
	<u>216,315</u>	<u>228,165</u>

DAWSONS RADIO LIMITED

NOTES TO THE ACCOUNTS YEAR ENDED 30TH APRIL 1999

continued

9 PENSION SCHEME

Retirement benefits are accruing for two directors under the pension scheme. The company has two defined contribution pension schemes. The charge for the year was £16611 (1998 £12119). The company had unpaid pension contributions of £12670 as at 30th April 1999.

10 DEFERRED TAXATION

	<u>1999</u>	<u>1998</u>
	£	£
Timing differences on capital allowances		
Amounts provided	5,254	2,488
Amounts unprovided	-	-
	<hr/>	<hr/>

11 DIVIDENDS

	<u>1999</u>	<u>1998</u>
	£	£
Paid	46,506	20,895
Proposed	-	-
	<hr/>	<hr/>

12 AMOUNTS PAYABLE BY INSTALMENTS WHICH ARE PAYABLE AFTER FIVE YEARS

	<u>1999</u>	<u>1998</u>
	£	£
Bank loan	172,788	177,780
	<hr/>	<hr/>

13 TOTAL AMOUNT SECURED

	<u>1999</u>	<u>1998</u>
	£	£
Bank overdraft and loans	366,375	219,353
	<hr/>	<hr/>

14 DIRECTORS LOANS

During the year Mr K Dawson (director) had a maximum overdrawn loan account of £20508. This was repaid before the year end.