
Lloyd and Jones Engineers Limited
Abbreviated Accounts
for the year ended 31st October 2000



Lloyd and Jones Engineers Limited

Company Information

| | |
|--------------------------|---|
| Chairman | J D Birch |
| Directors | J D Birch K Hartley S Ranson |
| Secretary | J D Birch |
| Company number | 01751835 |
| Registered office | PO Box 29 76 Regent Road Bootle L20 1EJ |
| Auditors | Lathams Blueprint Sumner House St Thomas's Road Chorley Lancashire PR7 1HP |

Lloyd and Jones Engineers Limited

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Lloyd and Jones Engineers Limited

Directors' Report

for the year ended 31st October 2000

The directors present their report and the audited financial statements for the company for the year ended 31st October 2000.

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 for that year. 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; and

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 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.

Principal activities and review of business

The company's principal activity during the year was that of merchants of engineering supplies.

Results

The results for the year are set out in the profit and loss account on page 4.

The directors plan to continue with the management policies which have led to the satisfactory result in the year.

Dividends

The directors do not recommend the payment of a dividend.

Directors and their interests

The directors who served during the year and their interests in the share capital of the company were as follows:

| Name of director | Share type | At 31st October 2000 | At 1st November 1999 |
|-------------------------|--------------------|---------------------------------|---------------------------------|
| J D Birch | Ordinary £1 shares | 15,200 | 15,200 |
| K Hartley | - | - | - |
| S Ranson | - | - | - |

Auditors

The auditors, Lathams, have transferred their audit business to Blueprint Audit Limited. In accordance with Section 26 of the Companies Act 1989, Blueprint Audit Limited has been appointed as auditor to succeed Lathams, and will be proposed for reappointment at the Annual General Meeting in accordance with Section 385 of the Companies Act 1985.

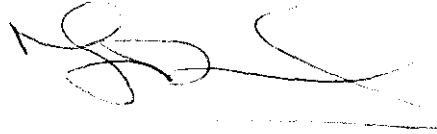
Lloyd and Jones Engineers Limited

Directors' Report

for the year ended 31st October 2000

By order of the Board

+



J D Birch, Secretary

Date: ✓

20 / 8 / 01

Auditors' report to Lloyd and Jones Engineers Limited

Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages 4 to 12 together with the financial statements of Lloyd and Jones Engineers Limited for the year ended 31st October 2000 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts 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 procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 12 are properly prepared in accordance with that provision.

Latham Blueprint

**Lathams Blueprint
Registered Auditor
Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP
Date:**

20 August 2001

Lathams Blueprint is a trading name of Blueprint Audit Limited, a registered auditor.

Lloyd and Jones Engineers Limited
Abbreviated Profit and Loss Account
for the year ended 31st October 2000

| | Notes | 2000 £ | 1999 £ |
|--|-------|-------------|-----------|
| Gross profit | | 2,119,578 | 1,969,973 |
| Distribution costs | | (1,035,707) | (968,124) |
| Administrative expenses | | (836,020) | (769,453) |
| Operating profit | 2 | 247,851 | 232,396 |
| Interest receivable | | 12,972 | 235 |
| Interest payable | 5 | (880) | (1,129) |
| Profit on ordinary activities before taxation | | 259,943 | 231,502 |
| Tax on profit on ordinary activities | 6 | (165,575) | (74,392) |
| Profit for the financial year | 17 | 94,368 | 157,110 |

All amounts relate to continuing activities.

There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses are not materially different from those accounted for on an historical cost basis..

Lloyd and Jones Engineers Limited

Abbreviated Balance Sheet

as at 31st October 2000

| | Notes | 2000 £ | 2000 £ | 1999 £ | 1999 £ |
|---|-------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 7 | | 375,214 | | 322,220 |
| Investments | 8 | | 400,001 | | 400,001 |
| | | | <u>775,215</u> | | <u>722,221</u> |
| Current assets | | | | | |
| Stocks | 10 | 424,809 | | 507,574 | |
| Debtors | 11 | 2,096,592 | | 1,538,471 | |
| Cash at bank and in hand | | 279,798 | | 242,871 | |
| | | <u>2,801,199</u> | | <u>2,288,916</u> | |
| Creditors: amounts falling due within one year | 13 | (1,701,423) | | (1,329,639) | |
| Net current assets | | | <u>1,099,776</u> | | <u>959,277</u> |
| Total assets less current liabilities | | | <u>1,874,991</u> | | <u>1,681,498</u> |
| Provisions for liabilities and charges | | | | | |
| Deferred taxation | 15 | | (254,097) | | (154,972) |
| | | | <u>1,620,894</u> | | <u>1,526,526</u> |
| Capital and reserves | | | | | |
| Called up share capital | 16 | | 29,800 | | 29,800 |
| Revaluation reserve | 17 | | 44,486 | | 45,107 |
| Capital redemption reserve | 17 | | 20,200 | | 20,200 |
| Profit and loss account | 17 | | 1,526,408 | | 1,431,419 |
| Equity Shareholder's Funds | | | <u>1,620,894</u> | | <u>1,526,526</u> |


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

These financial statements were approved by the board on ✓

20/8/01 x/628

J D Birch

Director



Lloyd and Jones Engineers Limited

Notes to the Abbreviated Accounts

for the year ended 31st October 2000

I Accounting policies

Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention, modified by the revaluation of certain fixed assets.

Group financial statements

The company and its subsidiary form a medium sized group. The company has therefore taken advantage of the exemption given by Section 248 of the Companies Act 1985 not to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not as a group.

Turnover

Turnover represents the invoiced amount of goods sold less returns and allowances, excluding value added tax.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less accumulated depreciation.

All classes of tangible fixed assets are recorded at cost. As permitted by FRS 15, freehold land and buildings which had been revalued prior to its implementation are recorded at that valuation.

Depreciation is calculated to write down the cost or valuation, less estimated residual value, of all tangible fixed assets, other than freehold land, over their expected useful lives. The principal annual rates and methods used are:

| | |
|-----------------------|----------------------|
| Freehold properties | 2% straight line |
| Plant and machinery | 25% reducing balance |
| Motor vehicles | 25% reducing balance |
| Fixtures and fittings | 25% reducing balance |

The part of the annual depreciation charge that relates to the surplus on revaluation is transferred from the revaluation reserve to the profit and loss account.

Leasing and hire purchase

Certain tangible fixed assets are held under hire purchase agreements. These assets are included in the balance sheet and are depreciated accordingly. The capital element of the corresponding financing commitments is included in the balance sheet. The finance element of repayments is charged to the profit and loss account in proportion to the reducing capital element outstanding.

All other leases held are operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

Fixed asset investments

Investments are included at cost.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Lloyd and Jones Engineers Limited

Notes to the Abbreviated Accounts

for the year ended 31st October 2000

Deferred taxation

Deferred taxation is calculated under the liability method at the appropriate rate of tax in respect of timing differences between profits as computed for tax purposes and profits as stated in the financial statements to the extent that, in the opinion of the directors, those differences will give rise to tax liabilities in the foreseeable future.

Pension costs

Pension costs are recognised on a systematic basis over the period that the company benefits from the services of the employees who are members of the pension scheme.

Government grants

Government grants are recognised in the profit and loss account so as to match them with the related expenditure towards which they contribute. Grants received in respect of future accounting periods are included in the balance sheet as deferred income.

2 Operating profit

The operating result is stated after charging:

| | 2000 | 1999 |
|---|--------|--------|
| | £ | £ |
| Depreciation of tangible fixed assets: | | |
| -owned assets | 46,570 | 51,556 |
| -assets held under hire purchase contracts and finance leases | 4,896 | - |
| Loss on disposal of fixed assets | 11,594 | 18,082 |
| Hire of equipment | 8,830 | 8,930 |
| Auditors' remuneration | 6,835 | 6,510 |
| Operating lease rentals - land and buildings | 13,333 | 13,333 |

3 Directors and employees

Staff costs, including directors' remuneration, were as follows:

| | 2000 | 1999 |
|-----------------------|-----------|-----------|
| | £ | £ |
| Wages and salaries | 1,172,426 | 969,722 |
| Social security costs | 127,451 | 92,602 |
| Other pension costs | 64,238 | 99,937 |
| Redundancy costs | - | 13,729 |
| | 1,364,115 | 1,175,990 |

Lloyd and Jones Engineers Limited

Notes to the Abbreviated Accounts

for the year ended 31st October 2000

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

| | 2000 Number | 1999 Number |
|--------------------------|----------------|----------------|
| Management | 13 | 13 |
| Selling and distribution | 46 | 46 |
| | <u>59</u> | <u>59</u> |

Directors' emoluments

| | 2000 £ | 1999 £ |
|---|----------------|----------------|
| Aggregate emoluments | 497,991 | 258,135 |
| Directors' pension contributions under defined contribution schemes | 50,000 | 99,937 |
| | <u>547,991</u> | <u>358,072</u> |

Retirement benefits were accruing to the directors as follows:

| | 2000 Number | 1999 Number |
|-------------------------------------|----------------|----------------|
| Defined contribution pension scheme | 2 | 2 |

4 Pension scheme and Employee Benefit Trust

The company operates a defined contribution pension scheme for the benefit of the employees and directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The total contributions paid in the year amounted to £64,238 (1999: £99,937).

The company has previously established an Employee Benefit Trust with the object of promoting employee loyalty and goodwill. Contributions for the year totalled £nil (1999: £200,000). In accordance with FRS 5 'Reporting the substance of transactions', trust net assets of £819,602 (1999: £732,332) have been incorporated into the company's balance sheet. A provision has been made on the contributions relating to those assets.

5 Interest payable and similar charges

| | 2000 £ | 1999 £ |
|------------------|-----------|-----------|
| Interest payable | 880 | 1,129 |

Lloyd and Jones Engineers Limited

Notes to the Abbreviated Accounts

for the year ended 31st October 2000

6 Taxation

| | 2000 £ | 1999 £ |
|--|----------------|---------------|
| Based on the profit for the year: | | |
| UK corporation tax at 30% (1999: 20.40%) | 60,058 | 43,118 |
| Deferred tax charge | 106,819 | 23,191 |
| | <u>166,877</u> | <u>66,309</u> |
| Prior periods | | |
| UK corporation tax | 6,392 | - |
| Deferred taxation | (7,694) | 8,083 |
| | <u>165,575</u> | <u>74,392</u> |

The tax charge for the year has been increased by approximately £89,000 (1999 : £19,000) in respect of permanent timing differences.

7 Tangible fixed assets

| | Freehold land and buildings £ | Plant and machinery £ | Motor vehicles £ | Fixtures and fittings £ | Total £ |
|-----------------------------|--|-----------------------------|------------------------|----------------------------------|----------------|
| Cost or valuation | | | | | |
| At 1st November 1999 | 185,000 | 117,125 | 161,547 | 47,852 | 511,524 |
| Additions | - | 30,725 | 129,429 | - | 160,154 |
| Disposals | - | (4,091) | (97,475) | - | (101,566) |
| At 31st October 2000 | <u>185,000</u> | <u>143,759</u> | <u>193,501</u> | <u>47,852</u> | <u>570,112</u> |
| At valuation in 1996 | 185,000 | - | - | - | 185,000 |
| At cost | - | 143,759 | 193,501 | 47,852 | 385,112 |
| | <u>185,000</u> | <u>143,759</u> | <u>193,501</u> | <u>47,852</u> | <u>570,112</u> |
| Depreciation | | | | | |
| At 1st November 1999 | 8,700 | 66,267 | 70,492 | 43,845 | 189,304 |
| Charge for the year | 2,900 | 16,261 | 31,303 | 1,002 | 51,466 |
| Disposals | - | (3,748) | (42,124) | - | (45,872) |
| At 31st October 2000 | <u>11,600</u> | <u>78,780</u> | <u>59,671</u> | <u>44,847</u> | <u>194,898</u> |
| Net book value | | | | | |
| At 31st October 2000 | <u>173,400</u> | <u>64,979</u> | <u>133,830</u> | <u>3,005</u> | <u>375,214</u> |
| At 31st October 1999 | <u>176,300</u> | <u>50,858</u> | <u>91,055</u> | <u>4,007</u> | <u>322,220</u> |

Lloyd and Jones Engineers Limited

Notes to the Abbreviated Accounts

for the year ended 31st October 2000

On a historical cost basis, freehold land and buildings would have been included as follows:

| | Land and buildings | |
|---------------------------------------|---------------------------|-------------|
| | 2000 | 1999 |
| | £ | £ |
| Cost | 146,089 | 146,089 |
| Cumulative depreciation based on cost | 19,118 | 16,839 |
| Net book value | 126,971 | 129,250 |

Assets held under finance leases and hire purchase originally cost £23,500 (1999: £nil) and have a net book value of £18,604 (1999: £nil). Depreciation charged for the year was £4,896 (1999: £nil).

8 Fixed asset investments

| | Shares in Group Undertaking | Own Shares | Total |
|---|------------------------------------|-------------------|--------------|
| | £ | £ | £ |
| Cost and net book value | 1 | 400,000 | 400,001 |
| At 1st November 1999 and at 31st October 2000 | | | |

9 Shares in group undertakings

| Name of company and registered office | Details of investments | Proportion held by company | Nature of business |
|--|-------------------------------|-----------------------------------|---------------------------|
| Centurion Engineering Services Limited | Ordinary £1 shares | 100% | Dormant |

The company's voting rights in respect of the subsidiary are held in the same proportion as the company's share of the ordinary share capital

The capital and reserves and profit or loss for the subsidiary as at its financial year ending with, or last before, the financial year of the holding company were as follows :

| | Profit/(loss) for the year | | Capital and reserves | |
|--|-----------------------------------|-------------|-----------------------------|-------------|
| | 2000 | 1999 | 2000 | 1999 |
| | £ | £ | £ | £ |
| Centurion Engineering services Limited | - | - | 1 | 1 |

10 Stocks

| | 2000 | 1999 |
|----------------|-------------|-------------|
| | £ | £ |
| Finished goods | 424,809 | 507,574 |

Lloyd and Jones Engineers Limited

Notes to the Abbreviated Accounts

for the year ended 31st October 2000

| 11 | Debtors | 2000 | 1999 |
|----|---------------|------------------|------------------|
| | | £ | £ |
| | Trade debtors | 2,094,856 | 1,536,764 |
| | Prepayments | 1,736 | 1,707 |
| | | <u>2,096,592</u> | <u>1,538,471</u> |

12 Cash at bank and in hand

Cash at bank and in hand includes £11,322 (1999: £11,083) which is held in trust for the beneficiaries of the Lloyd and Jones Engineers Limited Employee Benefit Trust.

| 13 | Creditors: amounts falling due within one year | 2000 | 1999 |
|----|--|------------------|------------------|
| | | £ | £ |
| | Unsecured loan | 10,000 | 10,000 |
| | Trade creditors | 975,003 | 897,326 |
| | Amounts owed to group undertaking | 1 | 1 |
| | Other creditors | - | 96,000 |
| | Accruals and deferred income | 466,038 | 109,845 |
| | Corporation tax | 60,058 | 43,391 |
| | Other taxes and social security | 149,573 | 108,043 |
| | Obligations under hire purchase contracts | 7,977 | - |
| | Directors' current accounts | 32,773 | 65,033 |
| | | <u>1,701,423</u> | <u>1,329,639</u> |

14 Obligations under hire purchase contracts and finance leases

Obligations under hire purchase contracts and finance leases are analysed between amounts payable:
In the next year

| 2000 | 1999 |
|--------------|----------|
| £ | £ |
| <u>7,977</u> | <u>-</u> |

Obligations under hire purchase contracts and finance leases are secured on the assets concerned.

Lloyd and Jones Engineers Limited

Notes to the Abbreviated Accounts

for the year ended 31st October 2000

15 Deferred taxation

Deferred taxation provided and unprovided for in the financial statements is set out below. The amount unprovided represents a contingent liability at the Balance Sheet date and is calculated using a tax rate of 30%.

| | 2000 £ | 1999 £ |
|----------------------|-----------|-----------|
| At 1st November 1999 | 154,972 | 123,698 |
| Movement in the year | 99,125 | 31,274 |
| At 31st October 2000 | 254,097 | 154,972 |

Deferred taxation provided and unprovided for in the financial statements is set out below. The amount unprovided represents a contingent liability at the balance sheet date and is calculated using a tax rate of 30% (1999: 30%).

| | Amount provided | | Amount unprovided | |
|--------------------------------|-----------------|-----------|-------------------|-----------|
| | 2000 £ | 1999 £ | 2000 £ | 1999 £ |
| Accelerated capital allowances | 8,216 | 8,506 | - | - |
| Other timing differences | 245,881 | 146,466 | - | - |
| | 254,097 | 154,972 | - | - |
| Unrealised capital gains | - | - | - | 9,021 |

Provision for capital gains tax on revaluation surpluses has not been made in these financial statements as there is no intention to dispose of the properties in the foreseeable future.

16 Share capital

| | 2000 £ | 1999 £ |
|--|-----------|-----------|
| Authorised Equity shares | | |
| 50,000 Ordinary shares of £1 each | 50,000 | 50,000 |
| Allotted Equity shares | | |
| 29,800 Allotted, called up and fully paid ordinary shares of £1 each | 29,800 | 29,800 |

17 Reserves

| | Revaluation reserve £ | Other reserves equity £ | Profit and loss account £ |
|----------------------------|-----------------------------|----------------------------------|------------------------------------|
| At 1st November 1999 | 45,107 | 20,200 | 1,431,419 |
| Profit for the year | - | - | 94,368 |
| Transfers between reserves | (621) | - | 621 |
| At 31st October 2000 | 44,486 | 20,200 | 1,526,408 |