

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 14TH MAY 2002
FOR
THE VALE HIRE PURCHASE COMPANY LIMITED**

Ainsworths
Chartered Accountants
Charter House
Stansfield Street
Nelson, Lancs
BB9 9XY



THE VALE HIRE PURCHASE COMPANY LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 14TH MAY 2002**

DIRECTORS:	D G Farrar G T Farrar Mrs P Farrar
SECRETARY:	Mrs P Farrar
REGISTERED OFFICE:	Burnthwaite, Hindle Fold Lane Great Harwood Blackburn Lancs BB6 7PT
REGISTERED NUMBER:	631321
ACCOUNTANTS:	Ainsworths Chartered Accountants Charter House Stansfield Street Nelson, Lancs BB9 9XY
BANKERS:	HSBC Bank Plc 12 Manchester Road Burnley Lancashire BB11 1JH

THE VALE HIRE PURCHASE COMPANY LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 14TH MAY 2002

The directors present their report with the financial statements of the company for the year ended 14th May 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of furniture retailing.

DIRECTORS

The directors during the year under review were:

D G Farrar
G T Farrar
Mrs P Farrar

The beneficial interests of the directors holding office on 14th May 2002 in the issued share capital of the company were as follows:

	14.5.02	15.5.01
Ordinary £1 shares		
D G Farrar	-	-
G T Farrar	735	735
Mrs P Farrar	2,262	2,262

CHARITABLE DONATIONS

Charitable donations of £295 were made during the year.

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:

Mrs P Farrar - DIRECTOR



Dated: 18th September 2002

THE VALE HIRE PURCHASE COMPANY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 14TH MAY 2002**

	Notes	2002 £	2001 £
TURNOVER		378,395	348,607
Cost of sales		<u>252,486</u>	<u>267,429</u>
GROSS PROFIT		125,909	81,178
Distribution costs		10,774	13,581
Administrative expenses		<u>55,808</u>	<u>90,104</u>
		66,582	103,685
		59,327	(22,507)
Other operating income		<u>11,792</u>	<u>10,835</u>
OPERATING PROFIT/(LOSS)	2	71,119	(11,672)
Interest receivable and similar income		<u>124</u>	<u>10</u>
		71,243	(11,662)
Interest payable and similar charges		<u>2,792</u>	<u>2,931</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		68,451	(14,593)
Tax on profit/(loss) on ordinary activities	3	<u>12,317</u>	<u>(2,858)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		56,134	(11,735)
Retained profit brought forward		<u>93,466</u>	<u>105,201</u>
RETAINED PROFIT CARRIED FORWARD		<u>£149,600</u>	<u>£93,466</u>

The notes form part of these financial statements

THE VALE HIRE PURCHASE COMPANY LIMITED

BALANCE SHEET 14TH MAY 2002

	Notes	2002 £	2001 £
FIXED ASSETS:			
Tangible assets	4	12,096	16,080
CURRENT ASSETS:			
Stocks		47,340	40,490
Debtors	5	151,302	125,015
Cash at bank and in hand		30,018	350
		<u>228,660</u>	<u>165,855</u>
CREDITORS: Amounts falling due within one year	6	<u>87,870</u>	<u>83,208</u>
NET CURRENT ASSETS:		<u>140,790</u>	<u>82,647</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>152,886</u>	<u>98,727</u>
CREDITORS: Amounts falling due after more than one year	7	-	(1,890)
PROVISIONS FOR LIABILITIES AND CHARGES:	8	<u>(286)</u>	<u>(371)</u>
		<u><u>£152,600</u></u>	<u><u>£96,466</u></u>
CAPITAL AND RESERVES:			
Called up share capital	9	3,000	3,000
Profit and loss account		149,600	93,466
SHAREHOLDERS' FUNDS:		<u><u>£152,600</u></u>	<u><u>£96,466</u></u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 14th May 2002.

The members have not required the company to obtain an audit of its financial statements for the year ended 14th May 2002 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

THE VALE HIRE PURCHASE COMPANY LIMITED

**BALANCE SHEET
14TH MAY 2002**

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

ON BEHALF OF THE BOARD:

Mrs P Farrar - DIRECTOR



Approved by the Board on 18th September 2002

The notes form part of these financial statements

THE VALE HIRE PURCHASE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 14TH MAY 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

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.

Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% 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.

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.

Hire purchase interest receivable

Hire purchase interest is credited to the profit and loss account when it is earned.

THE VALE HIRE PURCHASE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 14TH MAY 2002**

2. OPERATING PROFIT/(LOSS)

The operating profit (2001 - operating loss) is stated after charging:

	2002	2001
	£	£
Depreciation - owned assets	1,926	65
Depreciation - assets on hire purchase contracts	2,058	5,245
Loss on disposal of fixed assets	-	760
Pension costs	1,450	564
	<u>38,889</u>	<u>37,816</u>
Directors' emoluments and other benefits etc	<u>38,889</u>	<u>37,816</u>

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

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

3. TAXATION

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

	2002	2001
	£	£
UK corporation tax	12,402	(2,745)
Deferred tax	(85)	(113)
	<u>12,317</u>	<u>(2,858)</u>

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings	Motor vehicles	Totals
	£	£	£
COST:			
At 15th May 2001 and 14th May 2002	<u>1,883</u>	<u>24,295</u>	<u>26,178</u>
DEPRECIATION:			
At 15th May 2001	1,523	8,575	10,098
Charge for year	<u>1,926</u>	<u>2,058</u>	<u>3,984</u>
At 14th May 2002	<u>3,449</u>	<u>10,633</u>	<u>14,082</u>
NET BOOK VALUE:			
At 14th May 2002	<u>(1,566)</u>	<u>13,662</u>	<u>12,096</u>
At 14th May 2001	<u>360</u>	<u>15,720</u>	<u>16,080</u>

THE VALE HIRE PURCHASE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 14TH MAY 2002**

4. TANGIBLE FIXED ASSETS - continued

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

	Motor vehicles
	£
COST:	
At 15th May 2001	24,295
Transferred to ownership	(13,320)
	<u>10,975</u>
At 14th May 2002	10,975
DEPRECIATION:	
At 15th May 2001	8,575
Charge for year	2,058
Transferred to ownership	(5,830)
	<u>4,803</u>
At 14th May 2002	4,803
NET BOOK VALUE:	
At 14th May 2002	<u>6,172</u>
At 14th May 2001	<u>15,720</u>

5. DEBTORS

	2002 £	2001 £
Amounts falling due within one year:		
Trade debtors	103,003	64,895
Other debtors	1,206	21,014
Prepayments	1,291	905
Corporation tax debtor	-	2,774
Directors' current accounts	130	130
	<u>105,630</u>	<u>89,718</u>
Amounts falling due after more than one year:		
Trade debtors	<u>45,672</u>	<u>35,297</u>
Aggregate amounts	<u>151,302</u>	<u>125,015</u>

THE VALE HIRE PURCHASE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 14TH MAY 2002**

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

	2002	2001
	£	£
Bank loans and overdrafts	44,382	42,937
Hire purchase contracts	1,890	5,399
Trade creditors	18,671	27,836
Directors' current accounts	5	5
V.A.T.	6,377	3,229
Social security & other taxes	1,396	912
Taxation	12,311	-
Accrued expenses	2,838	2,890
	<u>87,870</u>	<u>83,208</u>

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

	2002	2001
	£	£
Hire purchase contracts	-	1,890
	<u>-</u>	<u>1,890</u>

8. PROVISIONS FOR LIABILITIES AND CHARGES

	2002	2001
	£	£
Deferred taxation	286	371
	<u>286</u>	<u>371</u>

	Deferred tax £
Balance at 15th May 2001	371
Accelerated capital allowances	(85)
	<u>286</u>
Balance at 14th May 2002	<u>286</u>

9. CALLED UP SHARE CAPITAL

Authorised:			2002	2001
Number:	Class:	Nominal value:	£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>
Allotted, issued and fully paid:			2002	2001
Number:	Class:	Nominal value:	£	£
3,000	Ordinary	£1	<u>3,000</u>	<u>3,000</u>

THE VALE HIRE PURCHASE COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 14TH MAY 2002**

10. TRANSACTIONS WITH DIRECTORS

The following loan to a director subsisted during the year ended 14th May 2002:

	£
Mrs P Farrar	
Balance outstanding at start of year	130
Balance outstanding at end of year	130
Maximum balance outstanding during year	<u>130</u>