

676708

MERRIVALE (GREAT YARMOUTH) LIMITED

ACCOUNTS

YEAR ENDED 31 JANUARY 2003

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DIRECTORS

L B Barron (Chairman)
Mrs B S Holmes
O F Holmes

SECRETARY

M D Futter

COMPANY REGISTRATION NO:

676708

ACCOUNTANTS

A C Tooke & Co
Chartered Certified Accountants
Royal Oak Chambers
42 Baker Street
Gorleston
Great Yarmouth
Norfolk NR31 6QT

REGISTERED OFFICE

Ventureforth House
South Denes Road
Great Yarmouth
NR30 3PT

REPORT OF THE DIRECTORS

YEAR ENDED 31 JANUARY 2003

The directors submit their Annual Report and Accounts for the year ended 31 January 2003.

DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare accounts that give a true and fair view of the state of affairs of the company and of the profit or loss for its financial period. In doing so the directors are required to: -

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting procedures have been followed subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume the company will continue in business.

The directors are responsible for maintaining proper accounting records that disclose, with reasonable accuracy, at any time, the financial position of the company, and to enable them to ensure that the accounts 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.

REVIEW OF ACTIVITIES

The company's main activity is that of proprietors of a model village. There was a small increase in turnover, but results were again disappointing. The directors hope for an increase in the future level of activity.

DIVIDENDS

The directors do not recommend the payment of a dividend

REPORT OF THE DIRECTORS (CONTINUED)

DIRECTORS

Mr L B Barron and Mrs B S Holmes held office throughout the year. Mr O F Holmes was appointed a director on 1 July 2002.

DIRECTORS INTERESTS IN THE SHARES OF THE COMPANY

The interests of the directors of the company at 31 January 2003 in the shares of the company, according to the register required to be kept by the Companies Act were as follows: -

	At 1 February 2002		At 31 January 2003	
	Ordinary	Preference	Ordinary	Preference
	£1 Shares	50p Shares	£1 Shares	50p Shares
L B Barron	6,825	6,825	6,825	6,825
Mrs B S Holmes	-	-	-	-
O F Holmes	-	-	-	-

In accordance with the Articles of Association Mrs B S Holmes will retire, and being eligible, offers herself for re-election.

FIXED ASSETS

Movements in fixed assets are shown in the notes to the accounts.

MARKET VALUE OF INTEREST IN LAND

In the opinion of the directors, the current open market value on an existing use basis of leasehold property exceeds the amount at which it is included in the Balance Sheet at 31 January 2003.

ACCOUNTANTS

A C Tooke & Co have indicated their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD



M D FUTTER

Secretary

TO THE SHAREHOLDERS OF

MERRIVALE (GREAT YARMOUTH) LIMITED

We report on the financial statements for the year ended 31 January 2003 set out on pages 4 to 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 1, the company's directors are responsible for the preparation of the financial statements and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants and so our procedures consisted of comparing the financial statements with the accounting records kept by the company and making such limited enquiries of the officers of the company as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in our opinion.

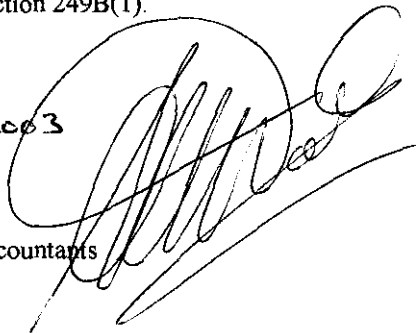
OPINION

In our opinion: -

- a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - I) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - II) the company satisfied the conditions for exemption from an audit of the financial statements for the period specified in section 249A(4) of the Act and did not, at any time within that period, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

DATED: 10.10.2003

A C Tooke & Co
Chartered Certified Accountants
Royal Oak Chambers
42 Baker Street
Gorleston
Great Yarmouth
NR31 6QT



PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 JANUARY 2003

	<u>Note</u>	<u>2003</u>	<u>2002</u>
TURNOVER		87,079	83,845
Cost of sales		<u>(11,492)</u>	<u>(11,623)</u>
GROSS PROFIT		75,587	72,222
Administrative expenses		(80,067)	(82,064)
Other operating income		<u>3,050</u>	<u>4,000</u>
OPERATING LOSS	2	(1,430)	(5,842)
Interest receivable		—	—
		(1,430)	(5,842)
Interest payable	5	<u>(716)</u>	<u>(908)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(2,146)	(6,750)
Tax on ordinary activities	6	—	—
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(2,146)	(6,750)
Retained loss brought forward		<u>(33,656)</u>	<u>(26,906)</u>
RETAINED LOSS CARRIED FORWARD		<u>(35,802)</u>	<u>(33,656)</u>

BALANCE SHEET

31 JANUARY 2003

	<u>Note</u>	<u>2003</u>	<u>2002</u>
FIXED ASSETS			
Tangible assets	7	8,485	13,393
CURRENT ASSETS			
Stocks		4,800	5,100
Debtors	8	5,085	5,130
Cash at bank and in hand		<u>35</u>	<u>535</u>
		<u>9,920</u>	<u>10,765</u>
CURRENT LIABILITIES			
Creditors			
Amounts falling due within one year	9	<u>32,878</u>	<u>34,134</u>
NET CURRENT LIABILITIES		<u>(22,958)</u>	<u>(23,369)</u>
		<u>(14,473)</u>	<u>(9976)</u>
LONG TERM LIABILITIES			
Amounts falling due after one year	9	<u>(854)</u>	<u>(3,205)</u>
NET LIABILITIES		<u>(15,327)</u>	<u>(13,181)</u>
CAPITAL AND RESERVES			
Called up share capital	11	20,475	20,475
Profit and Loss Account		<u>(35,802)</u>	<u>(33,656)</u>
		<u>(15,327)</u>	<u>(13,181)</u>

STATEMENT BY THE DIRECTORS

For the year ended 31 January 2003 the company was entitled to the exemption from audit under sub-section (2) of section 249A of the Companies Act 1985.

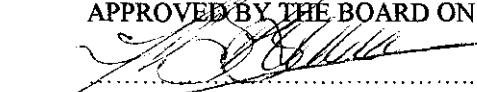
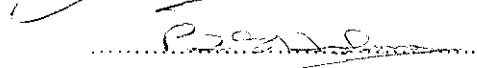
No notice from members requiring an audit has been deposited under section 249B(2) of the Companies Act 1985.

In preparing these accounts we have relied upon the exemption of individual accounts provided by section 246 (or schedule 8 para 23) and have done so on the grounds that the company is entitled to these exemptions as a small company.

We acknowledge our responsibility for: -

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

APPROVED BY THE BOARD ON 9th OCTOBER 2003

DIRECTORS

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2003

1. ACCOUNTING POLICIES

(a) Basis of Accounting

These accounts have been prepared under the historical cost convention.

(b) Depreciation

Depreciation is calculated to write off the cost or valuation less estimated residual values of tangible fixed assets over their expected useful lives to the business. The annual depreciation rates and methods are as follows: -

Leasehold property and buildings	- over the remaining lease period
Equipment	- 20% straight line
Models, boats and amusement machines	- 25% (or more) straight line
Vehicle	- 25% straight line

(c) Stocks

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

(d) Deferred Taxation

No provision has been made for deferred taxation as there is no excess of tax allowances given for fixed assets over the depreciation provided.

(e) Pension Scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The charge in the Profit and Loss Account represents the contributions payable by the company to the fund for the year.

2. OPERATING PROFIT

	<u>2003</u>	<u>2002</u>
Operating profit after charging: -		
Administrative expenses including		
Rental of premises	16,605	16,500
Depreciation	4,908	4,982
Directors emoluments	19,936	19,907
Accountants remuneration	<u>925</u>	<u>925</u>
And after crediting:		
Other operating income		
Rents receivable	<u>3,050</u>	<u>4,000</u>

3. STAFF COSTS

The cost of employing staff, including directors, was:

Wages and salaries	33,870	29,582
Social security costs	1,600	1,576
Pension costs	<u>2,016</u>	<u>2,016</u>
	<u>37,486</u>	<u>33,174</u>

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2003

4. DIRECTORS EMOLUMENTS

	<u>2003</u>	<u>2002</u>
Management remuneration	17,920	17,891
Pension contributions	<u>2,016</u>	<u>2,016</u>
	<u>19,936</u>	<u>19,907</u>

The figure for management remuneration includes estimated taxable benefits of £5,920 (2002-£5,891).

5. INTEREST PAYABLE

On bank loans, overdrafts and other loans wholly repayable within five years:

Bank overdraft	<u>716</u>	<u>908</u>
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6. TAXATION

UK corporation tax payable	<u>—</u>	<u>—</u>
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The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

7. TANGIBLE FIXED ASSETS

	<u>Leasehold Property and Buildings</u>	<u>Equipment</u>	<u>Models Boats and Amusement Machines</u>	<u>Vehicles</u>	<u>Total</u>
COST					
At 1 February 2002	69,330	35,460	73,672	13,395	191,857
Additions	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
At 31 January 2003	<u>69,330</u>	<u>35,460</u>	<u>73,672</u>	<u>13,395</u>	<u>191,857</u>
DEPRECIATION					
At 1 February 2002	62,931	34,400	73,235	7,898	178,464
Charge for year	<u>868</u>	<u>855</u>	<u>437</u>	<u>2,748</u>	<u>4,908</u>
At 31 January 2003	<u>63,799</u>	<u>35,255</u>	<u>73,672</u>	<u>10,646</u>	<u>183,372</u>
NET BOOK VALUE					
At 31 January 2003	<u>5,531</u>	<u>205</u>	<u>—</u>	<u>2,749</u>	<u>8,485</u>
At 31 January 2,002	<u>6,399</u>	<u>1,060</u>	<u>437</u>	<u>5,497</u>	<u>13,393</u>

NOTES TO THE ACCOUNTS

YEAR ENDED 31 JANUARY 2003

8. DEBTORS

	<u>2003</u>	<u>2002</u>
Amounts falling due within one year:		
Prepayments and accrued income	<u>5,085</u>	<u>5,130</u>

9. CREDITORS

Amounts falling due within one year:		
Bank overdraft	12,876	11,919
Trade creditors	8,525	7,935
Tax and social security costs	600	2,243
Other creditors	2,500	2,500
Accruals and deferred income	6,012	7,285
Hire purchase	<u>2,365</u>	<u>2,252</u>
	<u>32,878</u>	<u>34,134</u>
Amounts falling due after one year		
Hire purchase	<u>854</u>	<u>3,205</u>

Secured creditors included above are as follows: -

Bank overdrafts - secured by a fixed charge over the leasehold property of the company	12,876	11,919
Hire purchase	<u>3,219</u>	<u>5,457</u>
	<u>16,095</u>	<u>17,376</u>

10. OPERATING LEASE COMMITMENTS

	<u>Land and Buildings</u>	<u>Land and Buildings</u>
Annual commitments under operating leases		
Operating leases expiring:		
Within five years	<u>16,250</u>	<u>16,250</u>
Annual commitments at 31 January 2003	<u>16,250</u>	<u>16,250</u>

11. SHARE CAPITAL

	Number <u>2003</u>	Value <u>2003</u>	Number <u>2002</u>	Value <u>2002</u>
Authorised:				
Ordinary Shares of £1 each	18,175	18,175	18,175	18,175
3.00% preference shares of 50p each	<u>13,650</u>	<u>6,825</u>	<u>13,650</u>	<u>6,825</u>
	<u>31,825</u>	<u>25,000</u>	<u>31,825</u>	<u>25,000</u>
Issued and fully paid:				
Ordinary Shares of £1 each	13,650	13,650	13,650	13,650
3.00% preference shares of 50p each	<u>13,650</u>	<u>6,825</u>	<u>13,650</u>	<u>6,825</u>
	<u>27,300</u>	<u>20,475</u>	<u>27,300</u>	<u>20,475</u>

MERRIVALE (GREAT YARMOUTH) LIMITED

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TRADING AND PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 JANUARY 2003

	<u>2003</u>	<u>2002</u>
SALES	87,079	83,845
Cost of sales	<u>(11,492)</u>	<u>(11,623)</u>
GROSS PROFIT	75,587	72,222
OTHER INCOME		
Interest	-	-
Rent	<u>3,050</u>	<u>4,000</u>
	<u>3,050</u>	<u>4,000</u>
	78,637	76,222
OVERHEAD EXPENSES		
Distribution	4,966	4,520
Establishment	29,034	28,126
Office and administration	44,464	47,667
Finance	<u>2,319</u>	<u>2,659</u>
	<u>80,783</u>	<u>82,972</u>
NET LOSS BEFORE TAXATION	<u>(2,146)</u>	<u>(6,750)</u>

SCHEDULE OF OVERHEAD EXPENSES

YEAR ENDED 31 JANUARY 2003

	<u>2003</u>	<u>2002</u>
DISTRIBUTION		
Advertising	<u>4,966</u>	<u>4,520</u>
ESTABLISHMENT		
Rent	16,605	16,500
Rates	5,088	4,409
Insurance	3,265	3,399
Light and heat	2,066	1,440
Repairs and maintenance	<u>2,010</u>	<u>2,378</u>
	<u>29,034</u>	<u>28,126</u>
OFFICE AND ADMINISTRATION		
Wages	21,870	17,582
Employers NIC	462	347
Motor and travelling	3,089	3,071
General expenses	796	897
Professional and legal fees	(3,005)	4,332
Accountancy	925	925
Postage and telephone	265	286
Depreciation – leasehold property and buildings	868	868
equipment	855	930
models, boat amusement machines	437	435
motor vehicle	2,748	2,749
Directors remuneration – L B Barron	12,000	12,000
pension contributions	2,016	2,016
national insurance contributions	<u>1,138</u>	<u>1,229</u>
	<u>44,464</u>	<u>47,667</u>
FINANCE		
Bank charges	748	896
Bank overdraft interest	716	908
Hire purchase charges	<u>855</u>	<u>855</u>
	<u>2,319</u>	<u>2,659</u>