

PENKETH'S LIMITED
ABBREVIATED ACCOUNTS
for the year ended
31st December 2001

Company Registration Number 1287607



MITCHELL CHARLESWORTH
Chartered Accountants
Chester

PENKETH'S LIMITED

Abbreviated Accounts

Year ended 31st December 2001

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PENKETH'S LIMITED

Officers and Professional Advisers

The board of directors

W Penketh
Mrs D. Penketh
S.W. Penketh
M.S. Penketh
A.J. Penketh
P Mann

Company secretary

S.W. Penketh

Registered office

Bassendale Road
Croft Business Park
Bromborough
Wirral
Merseyside
CH62 3QL

Auditors

Mitchell Charlesworth
Chartered Accountants
& Registered Auditor
24 Nicholas Street
Chester
CH1 2AU

Bankers

Barclays plc
Liscard
Wallasey Village

Mitchell Charlesworth

Chartered Accountants
24 Nicholas Street Chester CH1 2AU

PENKETH'S LIMITED

Auditors' Report to the Company

Pursuant to Section 247b of the Companies Act 1985

We have examined the abbreviated accounts on pages 6 to 18, together with the accounts of the company for the year ended 31st December 2001 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE 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 those provisions and report our opinion to you.

BASIS OF OPINION

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

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act, and the abbreviated accounts on pages 6 to 18 are properly prepared in accordance with those provisions.

24 Nicholas Street

Chester
CH1 2AU

31st May 2002



MITCHELL CHARLESWORTH
Chartered Accountants
& Registered Auditor

PENKETH'S LIMITED

The Directors' Report

Year ended 31st December 2001

The directors present their report and the accounts of the company for the year ended 31st December 2001.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of commercial retailing of stationery, office equipment and printing.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached accounts.

The directors have recommended the following dividends:

	2001 £	2000 £
Dividends paid on ordinary shares	<u>166,060</u>	<u>122,100</u>

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests, including family holdings, in the shares of the company were as follows:

		At 31 December 2001	At 1 January 2001
W Penketh	Ordinary	2,000	2,000
Mrs D. Penketh	Ordinary	1,000	1,000
S.W. Penketh	Ordinary	4,000	4,000
	Ordinary 'A'	1	1
M.S. Penketh	Ordinary	4,000	4,000
	Ordinary 'B'	1	1
A.J. Penketh	Ordinary	4,000	4,000
	Ordinary 'C'	1	1
P Mann	Ordinary D share	<u>1</u>	<u>1</u>

DONATIONS

During the year the company made the following contributions:

	2001 £	2000 £
Charitable	<u>1,312</u>	<u>137</u>

PENKETH'S LIMITED

The Directors' Report *(continued)*

Year ended 31st December 2001

AUDITORS

A resolution to re-appoint Mitchell Charlesworth as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Bassendale Road
Croft Business Park
Bromborough
Wirral
Merseyside
CH62 3QL

Signed by order of the directors



S.W. Penketh
Company Secretary

Approved by the directors on 1st May 2002

PENKETH'S LIMITED

Statement of Directors' Responsibilities

Year ended 31st December 2001

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those accounts, the directors are required to:

- select suitable accounting policies, as described on pages 9 to 10, and then apply them consistently;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and

- prepare the accounts 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 accounts comply with the Companies Act 1985. The directors 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.

PENKETH'S LIMITED

Abbreviated Profit and Loss Account

Year ended 31st December 2001

	Note	2001 £	£	2000 £	£
Gross profit			2,458,599		2,294,913
Administrative expenses			<u>2,000,163</u>		<u>1,960,148</u>
Operating profit:	2				
Continuing operations		470,347		2,116,942	
Acquisitions		<u>(11,911)</u>		<u>(1,782,177)</u>	
			458,436		334,765
Income from other fixed asset investments	5		4,076		5,647
Interest receivable	6		4,366		2,088
Interest payable	7		<u>(39,409)</u>		<u>(24,147)</u>
Profit on ordinary activities before taxation			<u>427,469</u>		<u>318,353</u>
Tax on profit on ordinary activities	8		<u>(105,982)</u>		<u>(105,430)</u>
Profit on ordinary activities after taxation			<u>321,487</u>		<u>212,923</u>
Dividends (including non-equity)	9		166,060		122,100
Retained profit for the financial year			<u><u>155,427</u></u>		<u><u>90,823</u></u>

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 9 to 18 form part of these accounts.

PENKETH'S LIMITED

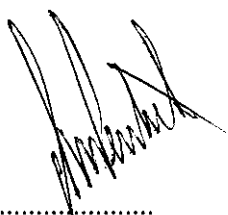
Abbreviated Balance Sheet

31st December 2001

	Note	2001 £	£	2000 £	£
Fixed assets					
Intangible assets	10	178,573		58,908	
Tangible assets	11	979,218		1,038,559	
Investments	12	35,156		44,051	
		<u>1,192,947</u>		<u>1,141,518</u>	
Current assets					
Stocks	13	163,735		179,667	
Debtors	14	1,746,323		1,558,734	
Cash at bank and in hand		7,107		5,587	
		<u>1,917,165</u>		<u>1,743,988</u>	
Creditors: Amounts falling due within one year	15	<u>(1,820,911)</u>		<u>(1,673,603)</u>	
Net current assets		<u>96,254</u>		<u>70,385</u>	
Total assets less current liabilities		<u>1,289,201</u>		<u>1,211,903</u>	
Creditors: Amounts falling due after more than one year	16	<u>(329,175)</u>		<u>(397,974)</u>	
		<u>960,026</u>		<u>813,929</u>	
Provisions for liabilities and charges					
Deferred taxation	17	<u>(8,470)</u>		<u>(17,800)</u>	
		<u>951,556</u>		<u>796,129</u>	
Capital and reserves					
Called-up equity share capital	20	15,004		15,004	
Profit and Loss Account	21	936,552		781,125	
Shareholders' funds	22	<u>951,556</u>		<u>796,129</u>	

These accounts have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These accounts were approved by the directors on the 1st MAY 2002, and are signed on their behalf by:



 S.W. Penketh

The notes on pages 9 to 18 form part of these accounts.

PENKETH'S LIMITED

Cash Flow Statement

Year ended 31st December 2001

	Note	2001 £	2000 £
Net cash inflow from operating activities	23	394,028	348,978
Returns on investments and Servicing of finance			
Income from other fixed asset investments		4,076	5,647
Interest received		4,366	2,088
Interest paid		(35,119)	(18,729)
Interest element of hire purchase and finance lease		(4,290)	(5,418)
Non-equity dividends paid		(16,978)	(31,050)
Net cash outflow from returns on investments and servicing of finance		(47,945)	(47,462)
Taxation		(86,090)	(49,152)
Capital expenditure and financial investment			
Payments to acquire intangible fixed assets		(150,000)	(62,000)
Payments to acquire tangible fixed assets		(58,444)	(493,971)
Receipts from sale of fixed assets		17,587	54,103
Acquisition of Investments brought forward		(5,155)	(57,740)
Disposal of Investments brought forward		14,050	27,804
Net cash outflow for capital expenditure and financial investment		(181,962)	(531,804)
Equity dividends paid		(149,082)	(91,050)
Cash outflow before financing		(71,051)	(370,490)
Financing			
Issue of equity share capital		-	4
Repayment of bank loans		(55,084)	270,453
Capital element of hire purchase and finance lease		(19,420)	(26,954)
Net cash (outflow)/inflow from financing		(74,504)	243,503
Decrease in cash	24	(145,555)	(126,987)

The notes on pages 9 to 18 form part of these accounts.

PENKETH'S LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2001

1. Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Turnover

The turnover shown in the Profit and Loss Account represents amounts invoiced during the year, exclusive of Value Added Tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - straight line over 4 years

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	straight line over 125 years
Plant & Machinery	-	20% on reducing balance
Motor Vehicles	-	20% on cost
Equipment	-	25% on cost

Stocks

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

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the Profit and Loss Account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

PENKETH'S LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2001

1. Accounting policies *(continued)*

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

2. Operating profit

Operating profit is stated after charging/(crediting):

	2001	2000
	£	£
Amortisation	30,335	18,314
Depreciation	94,019	102,424
Loss on disposal of fixed assets	6,179	11,388
Auditors' remuneration		
- as auditors	8,920	9,348
Operating lease costs:		
Plant and equipment	92,449	80,481

3. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2001	2000
	No.	No.
Number of administrative staff	25	22
Number of management staff	7	7
Number of other staff - defineable	20	17
Number of other staff - defineable	24	32
	<u>76</u>	<u>78</u>

PENKETH'S LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2001

3. Particulars of employees *(continued)*

The aggregate payroll costs of the above were:

	2001	2000
	£	£
Wages and salaries	1,169,555	1,161,559
Social security costs	94,507	97,080
Other pension costs	30,632	34,300
	<u>1,294,694</u>	<u>1,292,939</u>

4. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2001	2000
	£	£
Emoluments receivable	160,785	172,917
Value of company pension contributions to money purchase schemes	23,257	24,339
	<u>184,042</u>	<u>197,256</u>

The number of directors who are accruing benefits under company pension schemes were as follows:

	2001	2000
	No.	No.
Money purchase schemes	<u>4</u>	<u>4</u>

5. Income from other fixed asset investments

	2001	2000
	£	£
Other dividend income	5,660	5,303
Profit in share dealings	(1,584)	344
	<u>4,076</u>	<u>5,647</u>

6. Interest receivable

	2001	2000
	£	£
Building society interest receivable	<u>4,366</u>	<u>2,088</u>

PENKETH'S LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2001

7. Interest payable

	2001	2000
	£	£
Interest payable on bank borrowing	1,014	501
Finance charges	4,290	5,418
Other similar charges payable	34,105	18,228
	<u>39,409</u>	<u>24,147</u>

8. Tax on profit on ordinary activities

	2001	2000
	£	£
In respect of the year:		
Corporation Tax based on the results for the year at 25% (2000 - 22.81%)	116,870	87,636
(Decrease)/Increase in deferred tax provision	(9,330)	17,800
	<u>107,540</u>	<u>105,436</u>
Adjustment in respect of previous years:		
Corporation Tax	(1,558)	(6)
	<u>105,982</u>	<u>105,430</u>

9. Dividends

The following dividends have been paid or proposed in respect of the year:

	2001	2000
	£	£
Dividend paid on ordinary shares	127,044	55,350
Dividend paid on ordinary Class 'A' shares	16,938	17,700
Dividend paid on ordinary Class 'B' shares	5,100	18,000
Dividend paid on ordinary Class 'C' shares	16,938	18,900
Dividend paid on ordinary Class 'D' shares	40	12,150
	<u>166,060</u>	<u>122,100</u>

PENKETH'S LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2001

10. Intangible fixed assets

	Goodwill £
Cost	
At 1st January 2001	92,590
Additions	150,000
At 31st December 2001	<u>242,590</u>
Amortisation	
At 1st January 2001	33,682
Charge for the year	30,335
At 31st December 2001	<u>64,017</u>
Net book value	
At 31st December 2001	<u>178,573</u>
At 31st December 2000	<u>58,908</u>

11. Tangible fixed assets

	Leasehold Property £	Plant & Machinery £	Motor Vehicles £	Computer Equipment £	Total £
Cost					
At 1 January 2001	801,415	164,327	113,603	196,505	1,275,850
Additions	-	7,780	27,147	23,517	58,444
Disposals	-	(27,033)	(22,745)	(16,897)	(66,675)
At 31 December 2001	<u>801,415</u>	<u>145,074</u>	<u>118,005</u>	<u>203,125</u>	<u>1,267,619</u>
Depreciation					
At 1 January 2001	23,964	55,256	46,103	111,968	237,291
Charge for the year	6,412	21,919	22,805	42,883	94,019
On disposals	-	(13,354)	(13,539)	(16,016)	(42,909)
At 31 December 2001	<u>30,376</u>	<u>63,821</u>	<u>55,369</u>	<u>138,835</u>	<u>288,401</u>
Net book value					
At 31 December 2001	<u>771,039</u>	<u>81,253</u>	<u>62,636</u>	<u>64,290</u>	<u>979,218</u>
At 31 December 2000	<u>777,451</u>	<u>109,071</u>	<u>67,500</u>	<u>84,537</u>	<u>1,038,559</u>

Finance lease and similar agreements

Included within the net book value of £979,218 is £15,439 (2000 - £44,384) relating to assets held under finance lease agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £9,172 (2000 - £15,948).

PENKETH'S LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2001

12. Investments

	£
Cost	
At 1st January 2001	44,051
Additions	5,155
Disposals	(14,050)
At 31st December 2001	<u>35,156</u>
Net book value	
At 31st December 2001	<u>35,156</u>
At 31st December 2000	<u>44,051</u>

Listed investments

Listed investments having a net book value of £26,101 (2000 - £34,996) are held by the company and had a market value of £12,466 at the end of the year (2000 - £30,557).

13. Stocks

	2001 £	2000 £
Stock	<u>163,735</u>	<u>179,667</u>

14. Debtors

	2001 £	2000 £
Trade debtors	1,593,803	1,428,855
Other debtors	1,479	2,092
Prepayments and accrued income	151,041	127,787
	<u>1,746,323</u>	<u>1,558,734</u>

15. Creditors: Amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts	372,652	223,228
Trade creditors	1,069,761	1,058,969
HP and finance leases	6,356	14,410
Directors' loan accounts	57,792	54,435
Other creditors	248,502	224,054
Accruals and deferred income	65,848	98,507
	<u>1,820,911</u>	<u>1,673,603</u>

PENKETH'S LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2001

15. Creditors: Amounts falling due within one year *(continued)*

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2001	2000
	£	£
Bank loans and overdrafts	372,653	201,523
HP and finance leases	6,356	14,410
	<u>379,009</u>	<u>215,933</u>

16. Creditors: Amounts falling due after more than one year

	2001	2000
	£	£
Bank loans and overdrafts	329,175	386,608
HP and finance leases	-	11,366
	<u>329,175</u>	<u>397,974</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2001	2000
	£	£
Bank loans and overdrafts	329,175	108,314
HP and finance leases	-	11,366
	<u>329,175</u>	<u>119,680</u>

17. Deferred taxation

	2001	2000
	£	£
The movement in the deferred taxation provision during the year was:		
Provision brought forward	17,800	-
Increase/(decrease) in provision	(9,330)	17,800
Provision carried forward	<u>8,470</u>	<u>17,800</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2001	2000
	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>8,470</u>	<u>17,800</u>

PENKETH'S LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2001

18. Commitments under hire purchase and finance lease agreements

Future commitments under hire purchase and finance lease agreements are as follows:

	2001	2000
	£	£
Amounts payable within 1 year	6,356	14,410
Amounts payable between 1 and 2 years	-	9,893
Amounts payable between 3 and 5 years	-	1,473
	<u>6,356</u>	<u>25,776</u>

19. Commitments under operating leases

At 31st December 2001 the company had annual commitments under non-cancellable operating leases as set out below.

	Assets Other Than Land & Buildings	
	2001	2000
	£	£
Operating leases which expire:		
Within 1 year	34,756	19,496
Within 2 to 5 years	115,284	119,749
	<u>150,040</u>	<u>139,245</u>

20. Share capital

Authorised share capital:

	2001	2000
	£	£
15,000 Ordinary shares of £1.00 each	15,000	15,000
1 Ordinary Class 'A' shares of £1.00 each	1	1
1 Ordinary Class 'B' shares of £1.00 each	1	1
1 Ordinary Class 'C' shares of £1.00 each	1	1
1 Ordinary Class 'D' shares of £1.00 each	1	1
	<u>15,004</u>	<u>15,004</u>

Allotted, called up and fully paid:

	2001		2000	
	No.	£	No.	£
Ordinary shares	15,000	15,000	15,000	15,000
Ordinary Class 'A' shares	1	1	1	1
Ordinary Class 'B' shares	1	1	1	1
Ordinary Class 'C' shares	1	1	1	1
Ordinary Class 'D' shares	1	1	1	1
	<u>15,004</u>	<u>15,004</u>	<u>15,004</u>	<u>15,004</u>

PENKETH'S LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2001

21. Profit and loss account

	2001	2000
	£	£
Balance brought forward	781,125	690,302
Retained profit for the financial year	155,427	90,823
Balance carried forward	<u>936,552</u>	<u>781,125</u>

22. Reconciliation of movements in shareholders' funds

	2001	2000
	£	£
Profit for the financial year	321,487	212,923
Dividends	(166,060)	(122,100)
	<u>155,427</u>	<u>90,823</u>
New equity share capital subscribed	-	4
	<u>155,427</u>	<u>90,827</u>
Opening shareholders' equity funds	796,129	705,302
Closing shareholders' equity funds	<u>951,556</u>	<u>796,129</u>

23. Reconciliation of operating profit to Net cash inflow from operating activities

	2001	2000
	£	£
Operating profit	458,436	334,765
Amortisation	30,335	18,314
Depreciation	94,019	102,424
Loss on disposal of fixed assets	6,179	11,388
Decrease/(Increase) in stocks	15,932	(25,612)
Increase in debtors	(187,589)	(492,557)
(Decrease)/Increase in creditors	(23,284)	400,256
Net cash inflow from operating activities	<u>394,028</u>	<u>348,978</u>

PENKETH'S LIMITED

Notes to the Abbreviated Accounts

Year ended 31st December 2001

24. Reconciliation of net cash flow to movement in net debt

	2001 £	£	2000 £	£
Decrease in cash in the period	(145,555)		(126,987)	
Net cash outflow/(inflow) from bank loans	55,084		(270,453)	
Net cash outflow in respect of hire purchase and finance lease	<u>19,420</u>		<u>26,954</u>	
		(71,051)		(370,486)
Change in net debt		(71,051)		(370,486)
Net debt at 1st January 2001		(630,025)		(259,539)
Net debt at 31st December 2001		<u>(701,076)</u>		<u>(630,025)</u>

25. Analysis of changes in net debt

	At 1 Jan 2001 £	Cash flows £	At 31 Dec 2001 £
Net cash:			
Cash in hand and at bank	5,587	1,520	7,107
Overdrafts	(168,210)	(147,075)	(315,285)
	<u>(162,623)</u>	<u>(145,555)</u>	<u>(308,178)</u>
Debt:			
Debt due within 1 year	(55,018)	(2,349)	(57,367)
Debt due after 1 year	(386,608)	57,433	(329,175)
HP and finance leases	<u>(25,776)</u>	<u>19,420</u>	<u>(6,356)</u>
	<u>(467,402)</u>	<u>74,504</u>	<u>(392,898)</u>
Net debt	<u>(630,025)</u>	<u>(71,051)</u>	<u>(701,076)</u>