

BRAYMALE LIMITED
TRADING AS
NORTH WESTERN EMPLOYMENT SERVICES
ABBREVIATED FINANCIAL STATEMENTS
30 JUNE 2000

Registered number: 01365921

HADLEY & CO.
CHARTERED ACCOUNTANTS
Southport



BRAYMALE LIMITED
TRADING AS NORTH WESTERN EMPLOYMENT SERVICES
ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 June 2000

CONTENTS

	Page
Company information	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Abbreviated profit and loss account	5
Statement of total recognised gains and losses	6
Abbreviated balance sheet	7
Cash flow statement	8
Notes on abbreviated financial statements	9

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

COMPANY INFORMATION

30 June 2000

INCORPORATED	in England on 10 April 1978
NUMBER	01365921
CHAIRMAN	B Ellis
OTHER DIRECTORS	Mrs C Ellis
SECRETARY	Mrs C Ellis
REGISTERED OFFICE	Adelphi Chambers 30 Hoghton Street Southport Merseyside
AUDITORS	Hadley & Co. Chartered Accountants Adelphi Chambers 30 Hoghton Street Southport Merseyside PR9 0NZ

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

DIRECTORS' REPORT

30 June 2000

The directors present their report and the abbreviated financial statements for the year ended 30 June 2000.

Principal activity

The principal activity of the company is that of an employment and vehicle hire agency.

Business review

The company's balance sheet as detailed on page 7 shows a satisfactory position, shareholders' funds amounting to £1,726,015.

Results and dividends

The results for the year are shown in the profit and loss account on page 5. An ordinary dividend amounting to £100,000 is proposed.

Fixed assets

In the opinion of the directors, there is no significant difference between the present market value of the company's properties and the amounts at which they are stated in the accounts. Details are set out in note 8.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	30 June 2000 Ordinary shares	1 July 1999 Ordinary shares
B Ellis	2,550	2,550
Mrs C Ellis	1,250	1,250

Auditors

The Company has elected to dispense with the annual appointment of auditors. In the absence of a specific resolution to the contrary Hadley & Co. will continue in office.

On behalf of the board

Mrs C Ellis
Secretary

Adelphi Chambers
30 Hoghton Street
Southport
Merseyside



14 November 2000

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

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 of the company for that period. In preparing those financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 to 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.

14 November 2000

On behalf of the board



B Ellis
Chairman

BRAYMALE LIMITED**TRADING AS NORTH WESTERN EMPLOYMENT SERVICES**

**Auditors' report to
Braymale Limited.
under section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 5 to 9, together with the financial statements of the company for the year ended 30 June 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does 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 financial statements prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages 5 to 9 are properly prepared in accordance with those provisions.



Hadley & Co.
Chartered Accountants
and Registered Auditors

Southport
14 November 2000

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

ABBREVIATED PROFIT AND LOSS ACCOUNT

for the year ended 30 June 2000

	Note	2000 £	1999 £
Gross profit		1,227,622	1,041,695
Net operating expenses			
Distribution costs		(11,552)	(7,733)
Administrative expenses		(838,999)	(832,451)
Other operating income		2,042	6,769
Operating profit	3	379,113	208,280
Interest payable	5	(91,767)	(96,177)
Profit on ordinary activities before taxation		287,346	112,103
Taxation	6	(55,944)	(30,542)
Profit on ordinary activities after taxation		231,402	81,561
Dividends	7	(100,000)	(39,600)
Retained profit for the year	19	131,402	41,961

Movements in reserves are shown in the notes to the financial statements.

None of the company's activities were acquired or discontinued during the above two financial years.

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 30 June 2000

	2000 £	1999 £
Profit for the financial year	231,402	81,561
Unrealised deficit on revaluation of fixed assets	-	(9,212)
Total gains recognised since last annual report	<u>231,402</u>	<u>72,349</u>

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

ABBREVIATED BALANCE SHEET

at 30 June 2000

	Note	2000 £	1999 £
Fixed assets			
Tangible assets	8	2,764,757	2,753,117
Current assets			
Stocks	10	3,000	-
Debtors	11	617,798	535,718
Cash at bank and in hand		396,347	350,019
		<u>1,017,145</u>	<u>885,737</u>
Creditors: amounts falling due within one year	12	<u>(1,262,504)</u>	<u>(1,136,094)</u>
Net current liabilities		<u>(245,359)</u>	<u>(250,357)</u>
Total assets less current liabilities		<u>2,519,398</u>	<u>2,502,760</u>
Creditors: amounts falling due after more than one year	13	(502,883)	(617,647)
Provision for liabilities and charges	14	(290,500)	(290,500)
		<u>1,726,015</u>	<u>1,594,613</u>
Capital and reserves			
Called up share capital	17	5,000	5,000
Revaluation reserve	18	643,648	652,860
Profit and loss account	19	1,077,367	936,753
Total shareholders' funds	16	<u>1,726,015</u>	<u>1,594,613</u>

continued

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

ABBREVIATED BALANCE SHEET

(continued)

at 30 June 2000

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The abbreviated financial statements on pages 5 to 9 were approved by the board of directors on 14 November 2000 and signed on its behalf by:

B Ellis
Chairman



BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

CASH FLOW STATEMENT

for the year ended 30 June 2000

	Note	2000		1999	
		£	£	£	£
Net cash inflow from operating activities	20	520,176		1,034,265	
Returns on investments and servicing of finance					
Interest paid		(80,827)		(81,640)	
Interest element of finance lease rental payments		(10,940)		(14,537)	
			(91,767)		(96,177)
Taxation					
Corporation tax paid		(16,602)		(44,619)	
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(235,859)		(501,629)	
Sale of tangible fixed assets		49,874		42,038	
			(185,985)		(459,591)
			225,822		433,878
Equity dividends paid			(100,000)		(39,600)
			125,822		394,278
Financing					
Debt due within a year:					
Bank loan repayments		(50,000)		(86,001)	
Debt due beyond a year:					
Bank loan (repayments)/advances		(13,587)		36,170	
Finance Leases		(27,394)		7,619	
			(90,981)		(42,212)
Increase in cash		34,841		352,066	

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

1 Accounting policies**Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land	Not depreciated
Freehold buildings	2% Straight Line
Plant and machinery	15% reducing balance
Motor vehicles	20% reducing balance
Fixtures and fittings	15% reducing balance

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

Rentals paid under operating leases are charged to income as incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions**Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

2 Turnover

The turnover for the year was derived from the company's principal activity. The whole of the turnover is attributable to the UK market.

3 Operating profit

	2000 £	1999 £
Operating profit is stated after charging:		
Staff costs (note 4)	1,664,634	1,307,386
Auditors' remuneration	3,030	6,100
Operating leases:		
Hire of plant and machinery	11,552	7,733
Hire of assets other than plant & machin	7,106	42,516
Property Rent	24,345	24,300
Loss on sale of assets	19,654	44,783
Depreciation of tangible fixed assets (note 8):		
Owned assets	154,692	158,002

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

4 Directors and employees

	2000	1999
	£	£
Staff costs including directors' emoluments		
Wages and salaries	1,540,458	1,185,549
Social security costs	106,198	84,511
Pension costs	17,978	37,326
	<u>1,664,634</u>	<u>1,307,386</u>
Average monthly number employed including executive directors:	Number	Number
Production staff	111	100
Office and management	5	5
Administration staff	17	14
	<u>133</u>	<u>119</u>
Directors	£	£
Emoluments	17,056	17,384
Company contributions to money purchase pension schemes	17,978	37,326
	<u>35,034</u>	<u>54,710</u>

Defined contribution 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 pension cost charge represents contributions payable by the company to the fund and amounted to £18,548 (1999 £37,326). Contributions totalling £0 (1999 £0) were payable to the fund at 30 June 2000 and are included in creditors.

5 Interest payable

	2000	1999
	£	£
Bank interest	-	6,200
Bank loan interest	45,794	57,019
Other interest	35,033	18,421
Hire purchase interest	10,940	14,537
	<u>91,767</u>	<u>96,177</u>

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

6 Taxation

	2000 £	1999 £
Corporation tax on profit on ordinary activities at 20.00% (1999 21.00%)	55,944	28,825
Under provision in earlier years	-	1,717
	<u>55,944</u>	<u>30,542</u>

7 Dividends

	2000 £	1999 £
Equity - ordinary/final	<u>100,000</u>	<u>39,600</u>

8 Tangible fixed assets

Cost or valuation	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Land and Buildings £	Total £
1 July 1999	728,207	455,584	21,450	2,193,138	3,398,379
Additions	86,794	133,694	15,371	-	235,859
Disposals	(62,863)	(74,656)	(3,344)	-	(140,863)
30 June 2000	<u>752,138</u>	<u>514,622</u>	<u>33,477</u>	<u>2,193,138</u>	<u>3,493,375</u>
Depreciation					
1 July 1999	438,077	149,851	13,371	43,963	645,262
Charge for the year	68,513	60,762	3,417	22,000	154,692
Disposals	(28,513)	(40,156)	(2,666)	-	(71,335)
30 June 2000	<u>478,077</u>	<u>170,457</u>	<u>14,122</u>	<u>65,963</u>	<u>728,619</u>
Net book amount					
30 June 2000	<u>274,061</u>	<u>344,166</u>	<u>19,355</u>	<u>2,127,175</u>	<u>2,764,757</u>
1 July 1999	<u>290,130</u>	<u>305,733</u>	<u>8,079</u>	<u>2,149,175</u>	<u>2,753,117</u>

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

9 Land and buildings

	2000 £	1999 £
Freehold	<u>2,127,175</u>	<u>2,149,175</u>

Land & Buildings are included at a valuation of £2,000,000 (valued in 1998) with additions since then at cost.

10 Stocks

	2000 £	1999 £
Consumable stock	<u>3,000</u>	<u>-</u>
	<u>3,000</u>	<u>-</u>

11 Debtors

	2000 £	1999 £
Amounts falling due within one year		
Trade debtors	593,166	480,882
Other debtors	10,743	34,977
Prepayments and accrued income	13,889	19,859
	<u>617,798</u>	<u>535,718</u>

12 Creditors: amounts falling due within one year

	2000 £	1999 £
Bank loans and overdrafts	344,607	318,707
Trade creditors	96,257	84,254
Corporation tax	66,411	27,069
Other taxation and social security	138,400	87,468
Other creditors	508,093	529,566
Accruals and deferred income	60,639	50,304
Obligations under finance leases and hire purchase contracts - note 13	<u>48,097</u>	<u>38,726</u>
	<u>1,262,504</u>	<u>1,136,094</u>

Bank borrowings are secured by a legal charge over the company's Land and Buildings and a mortgage debenture.

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

13 Creditors: amounts falling due
after more than one year

	2000 £	1999 £
Other liabilities		
Bank loans	435,629	513,628
Obligations under finance leases and hire purchase contracts	67,254	104,019
	<u>502,883</u>	<u>617,647</u>
Maturity of debt		
In one year or less, or on demand - see note 12	64,412	50,000
In more than one year but not more than two years	66,373	53,000
In more than two years but not more than five years	212,520	198,000
In more than five years	156,736	262,628
	<u>500,041</u>	<u>563,628</u>
Amounts falling due after more than five years:		
Bank loans	156,736	262,628
Obligations under finance leases and hire purchase contracts		
These are repayable over varying periods by monthly instalments as follows:		
In the next year - see note 12	48,097	38,726
In the second to fifth years	67,255	104,019
	<u>115,352</u>	<u>142,745</u>

Bank borrowings are secured by a legal charge over the company's Land & Buildings and a mortgage debenture .

14 Provision for liabilities and charges

	Deferred tax £
1 July 1999 and 30 June 2000	<u>290,500</u>

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

15 Deferred taxation

	2000		1999	
	Amount unprovided £	Amount provided £	Amount unprovided £	Amount provided £
Corporation tax deferred by				
Capital allowances in excess of depreciation	-	40,500	-	40,500
Deferred tax	-	-	-	-
Unrelieved taxation losses	-	-	-	-
Capital gains rolled over	-	-	-	-
	-	40,500	-	40,500
Advance corporation tax	-	-	-	-
	-	40,500	-	40,500
Corporation tax on revaluation surplus	-	250,000	-	250,000

Deferred taxation is based on a corporation tax rate of 20.00% (1999 21.00%).

16 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Profit for the financial year	231,402	81,561
Dividends	(100,000)	(39,600)
	131,402	41,961
Other recognised losses relating to the year (net)	-	(9,212)
Net addition to shareholders' funds	131,402	32,749
Opening shareholders' funds	1,594,613	1,561,864
Closing shareholders' funds	1,726,015	1,594,613

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

17 Called up share capital

	2000		1999	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary Shares of £1 each.	10,000	10,000	10,000	10,000
Allotted, called up and fully paid				
Ordinary Shares of £1 each.	5,000	5,000	5,000	5,000

18 Revaluation reserve

	2000 £
1 July 1999	652,860
Transfer to profit and loss account	(9,212)
30 June 2000	643,648

19 Profit and loss account

	2000 £
1 July 1999	936,753
Retained profit for the year	131,402
Transfer from revaluation reserve	9,212
30 June 2000	1,077,367

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

20 Notes to the cash flow statement

Reconciliation of operating profit
to operating cash flows

	2000	1999
	£	£
Operating profit	379,113	208,280
Depreciation charges	154,692	158,002
Loss on sale of fixed assets	19,654	44,783
(Increase)/decrease in stocks	(3,000)	6,500
(Increase)/decrease in debtors	(82,080)	59,136
Increase in creditors	51,797	557,564
Net cash inflow		
from operating activities	520,176	1,034,265

BRAYMALE LIMITED

TRADING AS NORTH WESTERN EMPLOYMENT SERVICES

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

30 June 2000

21 Notes to the cash flow statement (continued)

Analysis of changes in net debt

	At start of year £	Cash flows £	Other changes £	At end of year £
Cash at bank and in hand	350,019	46,328	-	396,347
Bank overdrafts	(268,707)	(11,488)	-	(280,195)
		<u>34,840</u>		
Debt due within 1 year	(50,000)	50,000	(64,412)	(64,412)
Debt due after 1 year	(513,628)	13,587	64,412	(435,629)
Finance leases	(142,745)	27,394	-	(115,351)
		<u>90,981</u>		
Total	<u>(625,061)</u>	<u>125,821</u>	<u>-</u>	<u>(499,240)</u>

Reconciliation of net cash flow to movement in net debt

	2000 £	1999 £
Increase in cash in the year	34,840	352,066
Cash outflow from decrease in debt and lease financing	<u>90,981</u>	<u>42,212</u>
Change in net debt resulting from cash flows	125,821	394,278
Net debt at 1 July 1999	<u>(625,061)</u>	<u>(1,019,339)</u>
Net debt at 30 June 2000	<u>(499,240)</u>	<u>(625,061)</u>

22 Related parties

Pension Scheme

The company pays rent of £16,500 to a pension scheme whose trustees include this company's directors.

In addition the company made contributions of £18,548 to the scheme during the year.

Other Rental

The company rents property from the directors. The annual rent in the year ended 30 June 2000 was £7,845.

Other Creditors

Other creditors (note 11) include directors loans of £479,647 and accruals loans owing to other family members of £43,972.