

Patrick Wilkinson (Saddlers) Limited

31st January, 1998

Financial Statements



Smailes, Goldie & Co.
Chartered Accountants

Patrick Wilkinson (Saddlers) Limited

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Patrick Wilkinson (Saddlers) Limited

Directors' Report

for the year ended 31st January, 1998

1. Principal activities

The principal activity of the company is the purchase and sale of bloodstock requisites and the manufacture and repair of saddlery and leather goods.

2. Directors and their interests

The directors at 31st January, 1998 and their interests in the share capital of the company were as follows:

	Ordinary shares of £1 each 1997 and 1998
P. T. Wilkinson	250
J. O. Wilkinson	-
J. M. Wilkinson	750

The company's Articles of Association do not require directors to retire by rotation.

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



P. T. Wilkinson
Director

Registered office:
108 Walkergate,
Beverley,
HU17 9BT
30th November, 1998

Patrick Wilkinson (Saddlers) Limited

Profit and Loss Account

for the year ended 31st January, 1998

	Note	1998 £	1997 £
Turnover	2	303,954	244,595
Cost of sales		212,033	168,970
Gross profit		91,921	75,625
Other operating income		-	(560)
Administrative expenses		60,323	60,030
Operating profit	3	31,598	16,155
Interest payable	4	3,389	3,687
Profit on ordinary activities before taxation		28,209	12,468
Taxation	5	6,093	3,000
Profit on ordinary activities after taxation		22,116	9,468
Dividends	6	-	800
Retained profit for the financial year		22,116	8,668
Retained profits brought forward		19,155	10,487
Retained profits carried forward		41,271	19,155

The only recognised gain for the year is the profit for the year of £22,116 (1997 £9,468).

There were no acquisitions and no discontinued operations in the year or the previous year.

The annexed notes form part of these financial statements.

Patrick Wilkinson (Saddlers) Limited

Balance Sheet

at 31st January, 1998

	Note	1998	1997
		£	£
Fixed assets			
Tangible fixed assets	7	6,278	9,819
Investment	8	2,000	2,000
Current assets			
Stocks and work in progress	9	94,700	72,250
Debtors	10	9,548	6,422
Corporation tax repayable		-	1,085
Cash		18	17
		<u>104,266</u>	<u>79,774</u>
Creditors: amounts falling due within one year			
Creditors	11	50,711	54,390
Corporation tax		6,450	3,125
Finance debt	12	12,163	8,498
		<u>69,324</u>	<u>66,013</u>
Net current assets		<u>34,942</u>	<u>13,761</u>
Total assets less current liabilities		<u>43,220</u>	<u>25,580</u>
Creditors: amounts falling due after more than one year			
Finance debt	12	949	5,025
Provision for liabilities and charges			
Deferred taxation	13	-	400
Net assets		<u>42,271</u>	<u>20,155</u>
Capital and reserves			
Called up share capital	14	1,000	1,000
Profit and loss account		41,271	19,155
Shareholders' funds	15	<u>42,271</u>	<u>20,155</u>

The directors are satisfied that the company was entitled to exemption under Subsection (1) of Section 249A of the Companies Act 1985 and that no member or members have requested an audit pursuant to Subsection (2) of Section 249B in relation to the accounts for the financial year.

(continued overleaf)

Patrick Wilkinson (Saddlers) Limited

Balance Sheet (continued)

at 31st January, 1998

The directors acknowledge their responsibilities for:

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

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 30th November, 1998



P. T. Wilkinson - Director

The annexed notes form part of these financial statements.

Patrick Wilkinson (Saddlers) Limited

Notes to the Financial Statements

for the year ended 31st January, 1998

1. Accounting policies

The principal accounting policies have remained unchanged from the previous year and are set out below.

a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention.

b) Turnover

Turnover is the amount receivable by the company in the ordinary course of business for goods supplied as a principal and for services provided.

c) Depreciation

Depreciation is calculated to write down the cost or valuation of fixed assets by equal annual instalments over their expected useful lives.

The rates generally applicable are:

Fixtures and fittings	10%
Motor vehicles	25%

d) Stock

Stock is stated at the lower of cost and net realisable value.

e) Deferred taxation

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in these accounts.

The provision is made for deferred taxation calculated on the liability method at the appropriate rates of corporation tax at which the differences are expected to reverse.

f) Finance leases and hire purchase contracts.

Assets acquired under finance leases and hire purchase contracts are treated as fixed assets. The amount capitalised is the present value of the minimum lease payments payable during the lease term. Depreciation is charged to the profit and loss account in accordance with the normal depreciation policy over the shorter of the lease term and the useful life of the assets.

The corresponding lease commitments are shown as liabilities. The interest element of rental obligation is charged to the profit and loss account over the period of the lease on a straight line basis.

Rentals payable under operating leases are charged to the profit and loss account over the period of the lease on a straight line basis.

Patrick Wilkinson (Saddlers) Limited

Notes to the Financial Statements

for the year ended 31st January, 1998

2. Turnover

The turnover is wholly attributable to the sale of bloodstock requisites and the manufacture and repair of saddlery and leather goods in the United Kingdom.

3. Operating profit

	1998 £	1997 £
(a) The operating profit for the year is stated after charging:		
Directors emoluments	18,936	18,916
Depreciation - owned assets	449	361
- leased assets	3,093	3,093
Operating lease rental - other	612	612
	<u>18,936</u>	<u>18,916</u>
(b) Directors remuneration	<u>18,936</u>	<u>18,916</u>

4. Interest payable and similar charges

Included in this category are:

Finance charges payable - finance leases and hire purchase contracts

	1998 £	1997 £
Finance charges payable - finance leases and hire purchase contracts	<u>455</u>	<u>455</u>

5. Taxation

Tax on the profit on ordinary activities

Corporation tax at 21.5% (1997 24.83%)

Deferred tax

Taxation under provided in previous years:

Corporation tax

	1998 £	1997 £
Corporation tax at 21.5% (1997 24.83%)	6,450	3,325
Deferred tax	(400)	(325)
Taxation under provided in previous years:		
Corporation tax	43	-
	<u>6,093</u>	<u>3,000</u>

6. Dividends

Ordinary - paid

	1998 £	1997 £
Ordinary - paid	<u>-</u>	<u>800</u>

Patrick Wilkinson (Saddlers) Limited

Notes to the Financial Statements

for the year ended 31st January, 1998

7.	Tangible fixed assets	Total £	Office improvements £	Fixtures and fittings £	Motor vehicles £
	Cost:				
	At 1st February, 1997 and 31st January, 1998	22,935	800	9,765	12,370
	Depreciation:				
	At 1st February, 1997	13,116	-	8,477	4,639
	Provided during the year	3,541	-	449	3,092
	At 31st January, 1998	16,657	-	8,926	7,731
	Net book value				
	At 31st January, 1998	6,278	800	839	4,639
	At 31st January, 1997	9,819	800	1,288	7,731

The following assets held under finance leases and hire purchase contracts are included in tangible fixed assets.

	Motor vehicles	
	31st January, 1998	31st January, 1997
	£	£
Gross amount	12,370	12,370
Depreciation	7,731	4,639
Net book value	4,639	7,731
8.	Investment	
	1998	1997
	£	£
Other investment	2,000	2,000
9.	Stocks	
	1998	1997
	£	£
Finished goods and goods for resale	94,700	72,250

Patrick Wilkinson (Saddlers) Limited

Notes to the Financial Statements

for the year ended 31st January, 1998

		1998	1997
		£	£
10. Debtors			
Trade debtors		6,187	4,019
Other debtors		3,361	2,403
		<u>9,548</u>	<u>6,422</u>
11. Creditors: amounts falling due within one year		1998	1997
		£	£
Trade creditors		32,893	35,698
Taxation and social security costs		4,800	4,884
Other creditors		13,018	13,808
		<u>50,711</u>	<u>54,390</u>
12. Finance debt		1998	1997
		£	£
Amounts falling due within one year			
Bank overdraft		10,537	4,372
Bank loans		-	2,500
Obligations under finance leases and hire purchase contracts		1,626	1,626
		<u>12,163</u>	<u>8,498</u>
Amounts falling due after more than one year			
Bank loans		-	2,450
Obligations under finance leases and hire purchase contracts		949	2,575
		<u>949</u>	<u>5,025</u>
Finance debt falling due after more than one year by due date of payment is:			
One to two years		949	4,076
Two to five years		-	949
		<u>949</u>	<u>5,025</u>
The bank overdraft and loan are secured.			
13. Deferred taxation			
Deferred taxation provided in the accounts is as follows:			
		1998	1997
		£	£
Accelerated capital allowances		-	400

Patrick Wilkinson (Saddlers) Limited

Notes to the Financial Statements

for the year ended 31st January, 1998

14. Share capital	1998 £	1997 £
Ordinary shares of £1 each Authorised	1,000	1,000
Issued and fully paid	1,000	1,000
15. Reconciliation of movements in shareholders' funds	1998 £	1997 £
Profit for the financial year	22,116	9,468
Dividends	-	800
Shareholders' funds at 1st February, 1997	22,116	8,668
	20,155	11,487
Shareholders' funds at 31st January, 1998	42,271	20,155
16. Operating leases		
Anticipated payments under operating leases for the year ended 31st January, 1999 in respect of commitments that expire:		
	Other £	
Within one year	320	
In the second to fifth years inclusive	-	
Over five years	-	
	320	
17. Capital commitments	1998 £	1997 £
Authorised but not contracted for	-	-
Contracted for but not provided	-	-

Patrick Wilkinson (Saddlers) Limited

Notes to the Financial Statements

for the year ended 31st January, 1998

18. Contingent liabilities

There were no contingent liabilities at 31st January, 1998 or 31st January, 1997.

19. Transactions with directors

Included in other debtors are loans to a director as follows:

	Maximum during the year 1998 £	At the end of the year 1998 £	1997 £
P. Wilkinson	142	142	5

20. Other related party transactions

During the year the company purchased services from the following, in which two of the directors have an interest:

	£
Associated Bloodstock Consultants Limited - Consultancy fees	5,000
Balance at the year end included in other creditors: Associated Bloodstock Consultants Limited	10,434

The company also holds an investment of £2,000 in a syndicate in which a director has an interest.

21. Control relationship

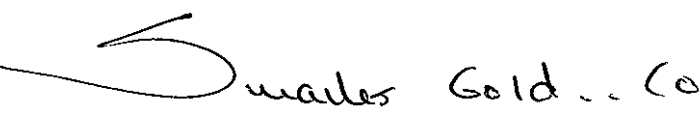
The company was controlled throughout the year by the directors by virtue of their 100% holding of the ordinary shares of the company.

Patrick Wilkinson (Saddlers) Limited

Accountants' report to the directors on the unaudited accounts of Patrick Wilkinson (Saddlers) Limited

As described on the balance sheet you are responsible for the compilation of the accounts for the year ended 31st January, 1998, set out on pages 2 to 10, and you consider that the company is exempt from an audit.

In accordance with your instructions we have compiled the unaudited accounts from the accounting records and from information and explanations supplied to us.



Smailes, Goldie & Co.

Chartered Accountants
Hull, HU1 3XL
30th November, 1998