

Registrar

2258575

CHARLES FARRIS LIMITED

ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2000



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COMPANIES HOUSE

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CHARLES FARRIS LIMITED

COMPANY INFORMATION

Directors	R.G. Simpson J.R. Simpson R.M.J. Keene Mrs. M.J. Keene
Secretary	J.R. Simpson
Company number	2252575
Registered office	110 York Road, Battersea London SW11 3RU
Auditors	Alliott Wingham Kintyre House, 70 High Street Fareham Hampshire PO16 7BB
Business address	Quarry Fields, Mere Wiltshire BA12 6LA
Bankers	Barclays Bank Plc King George Street Yeovil Somerset BA20 1PX

CHARLES FARRIS LIMITED

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CHARLES FARRIS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2000

The directors present their report and financial statements for the year ended 31 March 2000.

Principal activities and review of the business

The principal activity of the company continued to be that of candle manufacturers for sale to churches and the retail market.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Future developments

The directors anticipate a further increase in turnover during the year to 31st March 2001 as a result of a growth in the company's share of the church and catering market. They also anticipate that the company will continue to trade profitably and the state of the company will continue to be satisfactory.

Directors

The following directors have held office since 1 April 1999:

R.G. Simpson
J.R. Simpson
R.M.J. Keene
Mrs. M.J. Keene

Directors' interests

The directors' beneficial interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 March 2000	1 April 1999
R.G. Simpson	-	-
J.R. Simpson	-	-
R.M.J. Keene	-	-
Mrs. M.J. Keene	-	-
	Redeemable shares of £ 1 each	
	31 March 2000	1 April 1999
R.G. Simpson	-	-
J.R. Simpson	-	-
R.M.J. Keene	45	45
Mrs. M.J. Keene	-	-

CHARLES FARRIS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2000

Auditors

Alliott Wingham were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

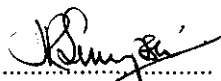
Directors' responsibilities

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 then 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.

By order of the board



J.R. Simpson

Director



CHARLES FARRIS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS OF CHARLES FARRIS LIMITED

We have audited the financial statements on pages 4 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Alliot Wingham

Chartered Accountants
Registered Auditor

.....
Kintyre House, 70 High Street
Fareham
Hampshire
PO16 7BB

CHARLES FARRIS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2000

	Notes	2000 £	1999 £
Turnover	2	1,094,501	908,133
Cost of sales		(590,637)	(908,133)
Gross profit		503,864	-
Distribution costs		(147,182)	-
Administrative expenses		(173,614)	-
Other operating income		4,000	-
Operating profit	3	187,068	-
Other interest receivable and similar income	4	2,229	-
Interest payable and similar charges	5	(20,137)	-
Profit on ordinary activities before taxation		169,160	-
Tax on profit on ordinary activities	6	(51,875)	-
Profit on ordinary activities after taxation	17	117,285	-

The profit and loss account has been prepared on the basis that all operations are continuing operations.

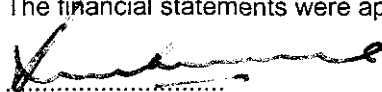
There are no recognised gains and losses other than those passing through the profit and loss account.

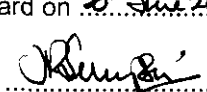
CHARLES FARRIS LIMITED

BALANCE SHEET AS AT 31 MARCH 2000

		2000		1999	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		131,138		-
Investments	9		267,955		267,955
			<u>399,093</u>		<u>267,955</u>
Current assets					
Stocks	10	201,313		-	
Debtors	11	254,384		152,884	
Cash at bank and in hand		331,361		-	
		<u>787,058</u>		<u>152,884</u>	
Creditors: amounts falling due within one year	12	(852,413)		(152,884)	
Net current liabilities			(65,355)		-
Total assets less current liabilities			333,738		267,955
Creditors: amounts falling due after more than one year	13		(313,953)		(367,535)
Provisions for liabilities and charges	14		(2,080)		-
			<u>17,705</u>		<u>(99,580)</u>
Capital and reserves					
Called up share capital	16		47		47
Profit and loss account	17		17,658		(99,627)
Shareholders' funds	18		17,705		(99,580)
Equity interests			17,660		(99,625)
Non-equity interests			45		45
			<u>17,705</u>		<u>(99,580)</u>

The financial statements were approved by the Board on 30 June 2000.


R.M.J. Keene
Director


J.R. Simpson
Director

CHARLES FARRIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Property improvements	10% on a straight line basis
Plant and machinery	12.5% on a straight line basis
Fixtures, fittings & equipment	10% & 33.3% on a straight line basis

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value.

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.9 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.10 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.11 Group accounts

The company does not prepare group accounts because it is a subsidiary of another company that prepares group accounts.

CHARLES FARRIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

2 Turnover

Geographical market

	Turnover	
	2000	1999
	£	£
United Kingdom	1,009,667	908,133
Rest of the world	84,834	-
	<u>1,094,501</u>	<u>908,133</u>

3 Operating profit

	2000	1999
	£	£
Operating profit is stated after charging:		
Amortisation of intangible assets	2,197	-
Depreciation of tangible assets	16,384	-
Operating lease rentals		
- Plant and machinery	1,682	-
- Other assets	15,167	-
Auditors' remuneration	3,000	-
	<u>28,328</u>	<u>-</u>

4 Other interest receivable and similar income

	2000	1999
	£	£
Bank interest	2,229	-
	<u>2,229</u>	<u>-</u>

5 Interest payable

	2000	1999
	£	£
On bank loans and overdrafts	62	-
On other loans wholly repayable within 5 years	20,075	-
	<u>20,137</u>	<u>-</u>

6 Taxation

	2000	1999
	£	£
U.K. current year taxation		
U.K. corporation tax at 30% (1999 - 31%)	49,795	-
Deferred taxation	2,080	-
	<u>51,875</u>	<u>-</u>

CHARLES FARRIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

7 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 1999	-
Transfers from subsidiary	3,767
Written off in year	(3,767)
At 31 March 2000	-
Amortisation	
At 1 April 1999	-
Transfers from subsidiary	1,570
Written off in year	(1,570)
At 31 March 2000	-
Net book value	
At 31 March 2000	-

CHARLES FARRIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

8 Tangible fixed assets

	Land and buildings Freehold	Property improve- ments	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 1999	-	-	-	-	-	-
Transfers from subsidiary	52,574	37,531	202,075	46,426	23,600	362,206
Additions	-	513	801	14,655	-	15,969
Disposals	-	-	(4,170)	-	-	(4,170)
At 31 March 2000	52,574	38,044	198,706	61,081	23,600	374,005
Depreciation						
At 1 April 1999	-	-	-	-	-	-
Transfers from subsidiary	3,400	23,577	160,712	34,502	6,390	228,581
On disposals	-	-	(2,098)	-	-	(2,098)
Charge for the year	350	1,738	7,549	4,237	2,510	16,384
At 31 March 2000	3,750	25,315	166,163	38,739	8,900	242,867
Net book value						
At 31 March 2000	48,824	12,729	32,543	22,342	14,700	131,138

CHARLES FARRIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

9 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 April 1999 & at 31 March 2000	<u>267,955</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Ethos Candles Limited	UK	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
Ethos Candles Limited	<u>296,011</u>	<u>36,110</u>

10 Stocks and work in progress

	2000 £	1999 £
Raw materials and consumables	33,111	-
Work in progress	500	-
Finished goods and goods for resale	167,702	-
	<u>201,313</u>	<u>-</u>

CHARLES FARRIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

11 Debtors	2000 £	1999 £
Trade debtors	243,249	152,884
Other debtors	650	-
Prepayments and accrued income	10,485	-
	<u>254,384</u>	<u>152,884</u>

12 Creditors: amounts falling due within one year	2000 £	1999 £
Loan notes	53,582	-
Trade creditors	145,684	-
Amounts owed to parent and fellow subsidiary undertakings	209,646	152,884
Amounts owed to subsidiary undertakings	296,011	-
Corporation tax	67,781	-
Other taxes and social security costs	45,609	-
Directors' current accounts	101	-
Other creditors	3,373	-
Accruals and deferred income	30,626	-
	<u>852,413</u>	<u>152,884</u>

CHARLES FARRIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

13 Creditors: amounts falling due after more than one year	2000 £	1999 £
Loan notes	214,328	267,910
Amount due to parent company	99,625	99,625
	<u>313,953</u>	<u>367,535</u>
Analysis of loans		
Wholly repayable within five years	267,910	267,910
	<u>267,910</u>	<u>267,910</u>
Included in current liabilities	(53,582)	-
	<u>214,328</u>	<u>267,910</u>

Loans to and from group companies are long term and interest free

The Loan notes are repayable within five years by instalments, interest is payable at the rate of 6%p.a.

14 Provisions for liabilities and charges

	Deferred taxation £
Profit and loss account	2,080
	<u>2,080</u>

Deferred tax is provided at 30% (1999 - 31%) analysed over the following timing differences:

	2000 £	Fully provided 1999 £
Accelerated capital allowances	2,080	-
	<u>2,080</u>	<u>-</u>

15 Pension costs

The company operates a defined contribution pension 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 £6,567 (1999 - £Nil).

CHARLES FARRIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

16 Share capital	2000	1999
	£	£
Authorised		
100 Ordinary shares of £ 1 each	100	100
45 Redeemable shares of £ 1 each	45	45
	<u>145</u>	<u>145</u>
 Allotted, called up and fully paid		
2 Ordinary shares of £ 1 each	2	2
45 Redeemable shares of £ 1 each	45	45
	<u>47</u>	<u>47</u>

Each ordinary share ranks equally as to rights to dividends, voting and capital upon a winding up. The redeemable shares only rank for voting and have 1 vote each compared to ordinary shares which have 50 votes each.

The company shall redeem the shares on the 30th June 2004 at a value to be determined from the excess of the profits of the company before taxation for the two years ended 31st December 2003 to the extent that these exceed a predetermined amount.

17 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 1999	(99,627)
Retained profit for the year	117,285
	<u>17,658</u>
Balance at 31 March 2000	

18 Reconciliation of movements in shareholders' funds	2000	1999
	£	£
Profit for the financial year	117,285	-
Opening shareholders' funds	(99,580)	(99,580)
	<u>17,705</u>	<u>(99,580)</u>
Closing shareholders' funds		

CHARLES FARRIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

19 Financial commitments

At 31 March 2000 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2000 £	1999 £
Expiry date:		
Between two and five years	24,750	-

20 Directors' emoluments

	2000 £	1999 £
Emoluments for qualifying services	42,642	-
Company pension contributions to money purchase schemes	4,200	-
	46,842	-

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2000 Number	1999 Number
Office and management	7	4
Sales	6	-
Direct labour	17	-
	30	4

Employment costs

	£	£
Wages and salaries	206,015	-
Social security costs	16,553	-
Other pension costs	6,567	-
	229,135	-

CHARLES FARRIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

22 Control

The ultimate holding company is Senex Holdings Limited, a company registered in England and Wales which is the largest and smallest group to consolidate the accounts of the company. Copies of the group accounts of Senex Holdings Limited are available from the Company Secretary, 110 York Road, London SW11 3RU.

23 Related party transactions

(a) The company has taken advantage of the exemption relating to subsidiary undertakings within Financial Reporting Standard No 8.

(b) The assets and liabilities of Ethos Candles Limited were transferred to the company on the 31st August 1999 at net book value.