

Textile Care Supplies Ltd
Financial Statements

31 October 2002

Company Registration Number 200043



SCT SBC42J15 1166
COMPANIES HOUSE 07/03/03

HONEYMAN FLEMING

Chartered Accountants
Royal Bank Buildings
Church Street
Buckhaven
Fife KY8 1BN

Textile Care Supplies Ltd

The Director's Report

Year ended 31 October 2002

The director has pleasure in presenting his report and the unaudited financial statements of the company for the year ended 31 October 2002.

Principal activities

The principal activity of the company during the period was the sale of laundry and dry cleaning machinery and consumables.

The director and his interests in shares of the company

The director who served the company during the year together with his beneficial interests in the shares of the company was as follows:

	Ordinary Shares of £1 each	
	At 31 October 2002	At 1 November 2001
D.J.H Jack	<u>1</u>	<u>1</u>

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:

Norwood
9 Westgate
Leslie
Fife
KY6 3LP

Signed by order of the director



Mrs M.M Jack
Company Secretary

Approved by the director on 19 February 2003

Textile Care Supplies Ltd

Profit and Loss Account

Year ended 31 October 2002

	Note	2002 £	2001 £
Turnover		177,644	138,422
Cost of sales		<u>121,161</u>	<u>88,357</u>
Gross profit		56,483	50,065
Distribution Costs		12,254	7,813
Administrative expenses		<u>43,559</u>	<u>34,266</u>
Operating profit	2	670	7,986
Interest receivable		—	67
Interest payable		(31)	(44)
Profit on ordinary activities before taxation		639	8,009
Tax on profit on ordinary activities	3	176	983
Profit on ordinary activities after taxation		463	7,026
Equity dividends paid		500	—
(Loss)/retained profit for the financial year		(37)	7,026
Balance brought forward		<u>9,691</u>	<u>2,665</u>
Balance carried forward		<u>9,654</u>	<u>9,691</u>

The notes on pages 5 to 9 form part of these financial statements.

Textile Care Supplies Ltd

Balance Sheet

Year ended 31 October 2002

	Note	2002 £	£	2001 £	£
Fixed assets					
Intangible assets	4		4,550		5,200
Tangible assets	5		<u>3,195</u>		<u>1,664</u>
			7,745		6,864
Current assets					
Stocks		17,178		15,934	
Debtors	6	32,582		27,342	
Cash in hand		<u>46</u>		<u>46</u>	
		49,806		43,322	
Creditors: Amounts falling due within one year	7	<u>47,482</u>		<u>40,234</u>	
Net current assets			<u>2,324</u>		<u>3,088</u>
Total assets less current liabilities			10,069		9,952
Provisions for liabilities and charges					
Deferred taxation	8		<u>413</u>		<u>259</u>
			<u>9,656</u>		<u>9,693</u>

The balance sheet continues on the following page.

The notes on pages 5 to 9 form part of these financial statements.

Textile Care Supplies Ltd

Balance Sheet *(continued)*

Year ended 31 October 2002

Capital and reserves

Called-up equity share capital	10	2	2
Profit and Loss Account		<u>9,654</u>	<u>9,691</u>
Shareholders' funds		<u>9,656</u>	<u>9,693</u>

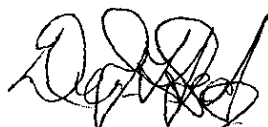
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, 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 the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved and signed by the director on 19 February 2003



D.J.H Jack

The notes on pages 5 to 9 form part of these financial statements.

Textile Care Supplies Ltd

Notes to the Financial Statements

31 October 2002

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention,, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

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	-	10%
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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:

Plant & Machinery	-	20%
Fixtures & Fittings	-	20%
Equipment	-	20%

Stocks

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

Textile Care Supplies Ltd

Notes to the Financial Statements

31 October 2002

1. Accounting policies *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

* provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

* provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

* deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a discounted/an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating profit

Operating profit is stated after charging:

	2002	2001
	£	£
Director's emoluments	4,500	3,924
Amortisation	650	650
Depreciation	798	417

3. Tax on profit on ordinary activities

Taxation

	2002	2001
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 4.13% (2001 - 10%)	22	748
Total current tax	22	748

Textile Care Supplies Ltd

Notes to the Financial Statements

31 October 2002

3. Tax on profit on ordinary activities *(continued)*

Increase in deferred tax provision			
Capital allowances	154	235	
	<u>154</u>	<u>235</u>	
Total deferred tax (note 8)	154	235	
Tax on profit on ordinary activities		<u>176</u>	<u>983</u>

4. Intangible fixed assets

	Goodwill
	£
Cost	
At 1 November 2001 and 31 October 2002	<u>6,500</u>
Amortisation	
At 1 November 2001	1,300
Charge for the year	<u>650</u>
At 31 October 2002	<u>1,950</u>
Net book value	
At 31 October 2002	<u>4,550</u>
At 31 October 2001	<u>5,200</u>

5. Tangible fixed assets

	Plant & Machinery £	Fixtures & Fittings £	Equipment £	Total £
Cost				
At 1 November 2001	120	43	2,038	2,201
Additions	<u>210</u>	<u>1,217</u>	<u>902</u>	<u>2,329</u>
At 31 October 2002	<u>330</u>	<u>1,260</u>	<u>2,940</u>	<u>4,530</u>
Depreciation				
At 1 November 2001	24	9	504	537
Charge for the year	<u>61</u>	<u>250</u>	<u>487</u>	<u>798</u>
At 31 October 2002	<u>85</u>	<u>259</u>	<u>991</u>	<u>1,335</u>
Net book value				
At 31 October 2002	<u>245</u>	<u>1,001</u>	<u>1,949</u>	<u>3,195</u>
At 31 October 2001	<u>96</u>	<u>34</u>	<u>1,534</u>	<u>1,664</u>

Textile Care Supplies Ltd

Notes to the Financial Statements

31 October 2002

6. Debtors

	2002 £	2001 £
Trade debtors	32,152	26,912
Prepayments and accrued income	430	430
	<u>32,582</u>	<u>27,342</u>

7. Creditors: Amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts	8,730	1,251
Trade creditors	25,508	25,478
Other creditors including taxation and social security:		
Corporation tax	22	748
PAYE and social security	130	—
VAT	3,123	3,603
Other creditors	620	620
Directors current accounts	<u>9,349</u>	<u>8,534</u>
	<u>13,244</u>	<u>13,505</u>
	<u>47,482</u>	<u>40,234</u>

8. Deferred taxation

	2002 £	2001 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	259	24
Profit and Loss Account movement arising during the year	<u>154</u>	<u>235</u>
Provision carried forward	<u>413</u>	<u>259</u>

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

	2002 £	2001 £
Excess of taxation allowances over depreciation on fixed assets	<u>413</u>	<u>259</u>
	<u>413</u>	<u>259</u>

Textile Care Supplies Ltd

Notes to the Financial Statements

31 October 2002

9. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

10. Share capital

Authorised share capital:

	2002	2001
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

	2002	2001
	£	£
Ordinary share capital	<u>2</u>	<u>2</u>