

REGISTRARS COPY

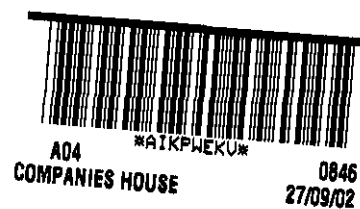
527152

M L Banfield & Sons Limited

Report and Unaudited Financial Statements

Year Ended

31 December 2001



BDO

BDO Stoy Hayward
Chartered Accountants

M L Banfield & Sons Limited

Annual report and financial statements for the year ended 31 December 2001

Contents

Page:

1	Report of the directors
2	Accountants' report
3	Profit and loss account
4	Balance sheet
5	Notes forming part of the financial statements

Directors

J E Banfield
J M Banfield
P R Banfield
A D Banfield

Secretary and registered office

J M Banfield, 1/2 Little Western Street, Brighton, East Sussex, BN1 2QH

Company number

527152

Accountants

BDO Stoy Hayward, Nile House, PO Box 1034
Nile Street, Brighton, BN1 1JB

Business address

1/2 Little Western Street, Brighton, East Sussex, BN1 2QH

M L Banfield & Sons Limited

Report of the directors for the year ended 31 December 2001

The directors present their report together with the financial statements for the year ended 31 December 2001.

Results

The profit and loss account is set out on page 3 and shows the profit for the year.

Principal activities

The principal activity of the company during the year continued to be that of builders ironmongers and locksmiths.

Directors

The directors of the company during the year and their beneficial interests in the ordinary share capital of the company were:

	Ordinary shares of £1 each	
	31 December 2001	1 January 2001
J E Banfield	1,550	1,550
J M Banfield	1,550	1,550
P R Banfield	950	950
A D Banfield	950	950

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

J M Banfield

Director



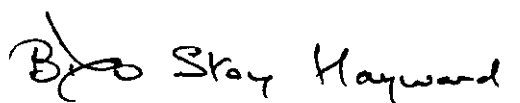
4 April 2002

M L Banfield & Sons Limited

Accountants' Report

Accountants' report on the unaudited accounts to the directors of M L Banfield & Sons Limited

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 December 2001, set out on pages 3 to 10, and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.


BDO STOY HAYWARD
Chartered Accountants
~~Brighton~~

4 April 2002

M L Banfield & Sons Limited

Profit and loss account for the year ended 31 December 2001

	Note	2001 £	2000 £
Turnover	2	859,594	805,016
Cost of sales		532,206	480,610
		<hr/>	<hr/>
Gross profit		327,388	324,406
Administrative expenses		280,714	273,170
		<hr/>	<hr/>
		46,674	51,236
Other operating income		5,154	-
		<hr/>	<hr/>
Operating profit	3	51,828	51,236
Other interest receivable and similar income	4	467	747
Interest payable and similar charges	5	(1,610)	(3,870)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		50,685	48,113
Taxation on profit on ordinary activities	6	10,153	9,923
		<hr/>	<hr/>
Profit on ordinary activities after taxation for the year		40,532	38,190
Dividends		29,000	-
		<hr/>	<hr/>
Retained profit for the financial year		11,532	38,190
Retained profit brought forward		194,999	156,809
		<hr/>	<hr/>
Retained profit carried forward		206,531	194,999
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior year are included in the profit and loss account.

The notes on pages 5 to 10 form part of these unaudited financial statements.

M L Banfield & Sons Limited

Balance sheet at 31 December 2001

	Note	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Tangible assets	7		119,514		77,857
Current assets					
Stocks		134,802		126,909	
Debtors	8	56,871		64,755	
Cash at bank and in hand		7,694		13,311	
		<u>199,367</u>		<u>204,975</u>	
Creditors: amounts falling due within one year	9	<u>107,350</u>		<u>82,833</u>	
Net current assets			<u>92,017</u>		<u>122,142</u>
Total assets less current liabilities			<u>211,531</u>		<u>199,999</u>
Capital and reserves					
Called up share capital	10		5,000		5,000
Profit and loss account			206,531		194,999
Equity shareholders' funds	11		<u>211,531</u>		<u>199,999</u>

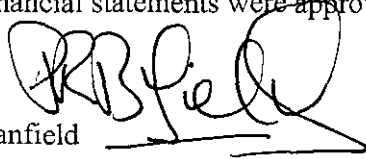
The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2001 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Board on 4 April 2002.


P R Banfield
Director

The notes on pages 5 to 10 form part of these unaudited financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 1985.

Turnover

Turnover represents amounts receivable for goods and services net of value added tax and trade discounts.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, except for investment properties, freehold land and certain buildings, evenly over their expected useful lives. It is calculated at the following rates:

Plant and machinery	- 15% straight line
Motor vehicles	- 25% reducing balance
Fixtures, fittings and equipment	- 15% reducing balance

Statement of Standard Accounting Practice Number 19 requires that investment properties should not be depreciated but should be included in the balance sheet at their open market value. However, the directors are unable to value the properties themselves and consider that the expense of professional revaluations would be out of proportion to the value to the members. The investment properties are therefore stated in the balance sheet at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise.

Leased assets

Annual rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the term of the lease.

M L Banfield & Sons Limited

Notes forming part of the financial statements for the year ended 31 December 2001 (*Continued*)

1 Accounting policies (*continued*)

Pensions

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

2 Turnover

None of the company's turnover in the current and prior years is attributable to markets outside the United Kingdom.

3 Operating profit

	2001 £	2000 £
This is arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	1,358	1,618
Hire of other assets - operating leases	3,000	3,000
Audit services	-	2,000
Directors' emoluments	209,134	210,540
Rent receivable (net)	(5,154)	-
	<u> </u>	<u> </u>

There were 3 directors in the company's defined contribution pension scheme during the year (2000: 3).

4 Other interest receivable and similar income

	2001 £	2000 £
Bank deposits	467	747
	<u> </u>	<u> </u>

5 Interest payable and similar charges

	2001 £	2000 £
Other interest	1,610	3,870
	<u> </u>	<u> </u>

M L Banfield & Sons Limited

Notes forming part of the financial statements for the year ended 31 December 2001 (*Continued*)

6 Taxation on profit on ordinary activities

	2001 £	2000 £
<i>Current tax</i>		
UK corporation tax on profits of the year	10,395	9,923
Adjustment in respect of previous periods	(242)	-
	<hr/>	<hr/>
Total current tax	10,153	9,923
	<hr/> <hr/>	<hr/> <hr/>

7 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
<i>Cost</i>			
At 1 January 2001	72,010	19,184	91,194
Additions	42,262	753	43,015
	<hr/>	<hr/>	<hr/>
At 31 December 2001	114,272	19,937	134,209
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 January 2001	-	13,337	13,337
Provided for the year	-	1,358	1,358
	<hr/>	<hr/>	<hr/>
At 31 December 2001	-	14,695	14,695
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 December 2001	114,272	5,242	119,514
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2000	72,010	5,847	77,857
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Included in land and buildings are investment properties with a net book value of £114,272 (2000 - £72,010).

M L Banfield & Sons Limited

Notes forming part of the financial statements for the year ended 31 December 2001 (Continued)

8 Debtors

	2001 £	2000 £
Trade debtors	52,690	61,420
Other debtors	4,181	3,335
	<u>56,871</u>	<u>64,755</u>

9 Creditors: amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts (secured)	13,100	16,256
Trade creditors	16,737	12,163
Taxation and social security	19,136	23,213
Other creditors	58,377	31,201
	<u>107,350</u>	<u>82,833</u>

The bank loan is secured by a charge over the company's freehold land and buildings.

10 Share capital

	2001 £	Authorised 2000 £	Allotted, called up and fully paid 2001 £	2000 £
<i>Equity share capital</i>				
5,000 Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

M L Banfield & Sons Limited

Notes forming part of the financial statements for the year ended 31 December 2001 *(Continued)*

11 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Profit for the year	40,532	38,190
Dividends	(29,000)	-
	<hr/>	<hr/>
Opening shareholders' funds	11,532 199,999	38,190 161,809
	<hr/>	<hr/>
Closing shareholders' funds	211,531	199,999
	<hr/>	<hr/>

12 Pensions

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 charge represents contributions payable by the company to the fund and amounted to £7,973 (2000 - £6,380).

13 Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below:

	2001 Land and buildings £	2000 Land and buildings £
Operating leases which expire:		
After five years	3,000	3,000
	<hr/>	<hr/>

14 Related party disclosures

Controlling parties

The company is controlled by its four directors who are responsible for the day to day running of the company and who between them own 100% of the company's issued share capital.

Related party transactions and balances

The company traded from premises owned by certain of its directors and shareholders to whom the company paid rent of £3,000 (2000: £3,000) in the year.

M L Banfield & Sons Limited

Notes forming part of the financial statements for the year ended 31 December 2001 (*Continued*)

15 Capital commitments

	2001	2000
	£	£
Contracted but not provided for	-	33,000
	<u> </u>	<u> </u>