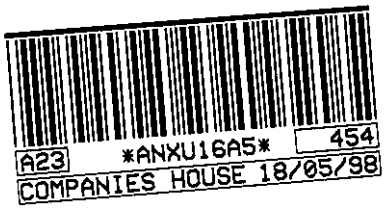
COMPANY NUMBER: 1289333

JAYAR COMPONENTS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JANUARY 1998



JAYAR COMPONENTS LIMITED

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JANUARY 1998

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JAYAR COMPONENTS LIMITED

COMPANY INFORMATION
AS AT 31 JANUARY 1998

DIRECTORS

J Ratcliffe Esq
Mrs J A Ratcliffe
Mrs L V Knott
A J Buttfield Esq
P Ratcliffe Esq

SECRETARY

Mrs J A Ratcliffe

REGISTERED OFFICE

Granville Road
Maidstone
Kent

REGISTERED NUMBER

1289333

AUDITORS

Larkings
Chartered Accountants
Cornwallis House
Pudding Lane
Maidstone
Kent
ME14 1NH

JAYAR COMPONENTS LIMITED

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 31 January 1998.

PRINCIPAL ACTIVITIES
The Company's principal activity during the year was that of motor component factors.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS
The Board of Directors is pleased to present another excellent set of results. Profit on ordinary activities has increased by 32 % to £383,274 and the company has net assets in excess of £824,000.

RESULTS
The net profit before providing for taxation amounted to £382,634 (1997: £289,410) and the appropriation thereof is set out on page 5.

DIVIDENDS
The directors have paid an interim dividend during the year amounting to £30,000.

The directors do not recommend a final dividend for the year.

POST BALANCE SHEET EVENTS
No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in financial years subsequent to the financial year ended 31 January 1998.

DIRECTORS AND THEIR INTERESTS
The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

		Number of Shares	
		31/01/98	01/02/97
J Ratcliffe Esq	Ordinary Shares	160	160
	A Shares	85	85
Mrs J A Ratcliffe	Ordinary Shares	10	10
	A Shares	85	85
Mrs L V Knott		-	-
A J Buttfield Esq		-	-
P Ratcliffe Esq		-	-

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 as at the end of the financial year 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 maintaining 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.

AUDITORS

The auditors have indicated their willingness to accept re-appointment under Section 385A(2) of the Companies Act 1985.

By order of the board:

X .....

Mrs J A Ratcliffe
Secretary

AUDITORS' REPORT TO JAYAR COMPONENTS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 5 to 16, together with the financial statements of the company for the year ended 31 January 1998 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts 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 accounts prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision 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 accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our audit work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A (3) of the Companies Act 1985, and the abbreviated accounts on pages 5 to 16 are properly prepared in accordance with that provision.

.....

Larkings
Chartered Accountants
and Registered Auditors
Cornwallis House
Pudding Lane
Maidstone
Kent
ME14 1NH

15.5.98.

JAYAR COMPONENTS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 1998

	Notes	1998 £	1997 £
GROSS PROFIT		2,919,381	2,465,497
Administrative expenses		2,525,569	2,140,808
		393,812	324,689
Other operating income		13,398	12,400
OPERATING PROFIT	2	407,210	337,089
Investment income and interest receivable		-	160
Interest payable and similar charges	3	(24,576)	(47,839)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		382,634	289,410
Tax on profit on ordinary activities	5	(82,426)	(73,306)
PROFIT FOR THE FINANCIAL YEAR		300,208	216,104
Dividends	6	(30,000)	(100,000)
RETAINED PROFIT FOR THE FINANCIAL YEAR	15	270,208	116,104

There were no acquisitions and no discontinued activities in the year.

The only recognised gain for the year is the profit for the year of £300,208 (1997: £216,104).

The notes on pages 8 to 16 form part of these accounts.

JAYAR COMPONENTS LIMITED

ABBREVIATED BALANCE SHEET
AT 31 JANUARY 1998

	Notes	1998		1997	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		393,508		274,795
Investments	9		55,000		55,000
			448,508		329,795
CURRENT ASSETS					
Stocks	10	1,542,194		1,222,594	
Debtors	11	1,001,096		884,719	
Cash at bank and in hand		3,133		3,258	
		2,546,423		2,110,571	
CREDITORS: amounts falling due within one year	12	(2,087,711)		(1,774,065)	
NET CURRENT ASSETS			458,712		336,506
TOTAL ASSETS LESS CURRENT LIABILITIES			907,220		666,301
CREDITORS: amounts falling due after more than one year	13		(83,500)		(112,789)
NET ASSETS			823,720		553,512
CAPITAL AND RESERVES					
Called up share capital	14		400		400
Profit and loss account	15		823,320		553,112
TOTAL SHAREHOLDERS' FUNDS	16		823,720		553,512

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium sized companies.

The financial statements were approved by the board of directors on 14.05.98
and signed on its behalf by:

J Ratcliffe Esq)

Mrs J A Ratcliffe) Directors

The notes on pages 8 to 16 form part of these accounts.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JANUARY 1998

	Notes	1998 £	1997 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		407210	337088
Depreciation charges		109726	79172
Loss/(Profit) on sales of tangible fixed assets		5134	(3716)
Increase in stocks		(319600)	(86428)
Increase in debtors		(116377)	(45668)
Increase in creditors		380741	61813
Net cash inflow from operating activities		466834	342261
CASH FLOW STATEMENT			
Net cash inflow from operating activities		466834	342261
Returns on investment and servicing of finance	19	(27534)	(46520)
Taxation		(80801)	(69706)
Capital expenditure	19	(233574)	(53341)
		124925	172694
Equity dividends paid		(30000)	(100000)
		94925	72694
Financing	19	(37499)	(35175)
Increase in cash		57426	37499
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT			
Increase in cash in the year		57426	37499
Cash outflow from decrease in debt and lease financing		37499	35195
Change in net debt resulting from cash flows		94925	72694
Net debt at 1 February 1997	20	(639200)	(711894)
Net debt at 31 January 1998	20	(544275)	(639200)

The notes on pages 8 to 16 form part of these financial statements

COMPLIANCE WITH ACCOUNTING STANDARDS

The accounts have been prepared in accordance with applicable accounting standards. There are no material departures from those standards.

1. STATEMENT OF ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year and have also been correctly and consistenetly applied within the same accounts.

Basis of preparation of financial statements
The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments.

Turnover
Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Depreciation of tangible fixed assets
Depreciation is provided on all tangible assets to write down the cost of each asset to its residual value over its expected useful life at the following rates:

Investment property	No depreciation
Leased assets	Over the term of the lease
Plant and machinery	15% and 25% Reducing balance basis
Motor vehicles	25% Reducing balance basis
Fixtures and fittings	15% Reducing balance basis

Stocks
Stocks represent goods held for resale. Stocks are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items

Investments
The investment property is stated at open market value.

Deferred taxation
Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

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

Tangible fixed assets acquired under hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

1. STATEMENT OF ACCOUNTING POLICIES - (continued)

Pension costs
The company operates a money purchase scheme for the benefit of the directors. The scheme's funds are administered by trustees and are independent of the company's finances. Contributions are paid to the scheme in accordance with the recommendation of independent actuaries. The company's contributions are charged against the profit in the year in which they are made.

2. OPERATING PROFIT

Operating profit is stated:	**1998** £	**1997** £
After charging:		
Depreciation of owned assets	103,607	65,697
Depreciation of assets held under hire purchase contracts	6,120	13,475
Loss on disposal of fixed assets	5,134	(3,716)
Auditors' remuneration	7,000	6,750
Diminution of value of investment	-	10,000
Rent Receivable	(13,398)	(12,400)
Operating lease rentals		
Land and buildings	166,272	158,151

3. INTEREST PAYABLE AND SIMILAR CHARGES

	1998 £	**1997** £
On loans and overdrafts	21,789	43,755
On hire purchase contracts	2,787	4,084
	24,576	47,839

4. INFORMATION ON DIRECTORS AND EMPLOYEES

	1998 £	1997 £
Staff costs		
Wages and salaries	1,430,536	1,181,797
Social security costs	114,408	86,829
Other pension costs	657	4,739
	1,545,601	1,273,365

	1998 No.	1997 No.
The average number of persons employed by the company including directors during the year was as follows:		
Office and management	29	26
Sales and distribution	95	103
	124	129

	1998 £	1997 £
Directors' emoluments		
Emoluments	252,220	35,220
Company contributions to money purchase pension schemes	957	4,648
	253,177	39,868

The remuneration of the highest paid director included above was:		
Emoluments	107,450	31,500
Company contributions to money purchase schemes	957	4,648

During the year 3 directors (1997: 3) were accruing benefits under money purchase schemes.

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1998 £	1997 £
The taxation charge comprises:		
UK Corporation tax	82,426	73,300
Adjustment in respect of prior years	-	6
	82,426	73,306

6. DIVIDENDS PAID OR PROPOSED

	1998 £	1997 £
On 'A' shares:		
Dividends	30,000	100,000

7. TRANSACTIONS WITH DIRECTORS

	1998 £	1997 £
Amounts owed to directors		
J & Mrs JA Ratcliffe	189,405	271,576

Controlling Party

The company is under the control of Mr. and Mrs. J. Ratcliffe who own 85% of the issued ordinary shares and 85% of the 'A' shares.

8. TANGIBLE FIXED ASSETS

	Land and buildings	Plant, machinery, fixtures, fittings and motor vehicles	Total
	£	£	£
Cost:			
At 1 February 1997	20,391	518,466	538,857
Additions	6,293	241,741	248,034
Disposals	-	(47,889)	(47,889)
At 31 January 1998	26,684	712,318	739,002
Depreciation:			
At 1 February 1997	7,613	256,450	264,063
Charge for year	1,459	108,267	109,726
On disposals	-	(28,295)	(28,295)
At 31 January 1998	9,072	336,422	345,494
Net book value:			
At 31 January 1998	17,612	375,896	393,508
At 31 January 1997	12,779	262,016	274,795

	1998	1997
	£	£
Analysis of net book value of land and buildings:		
Short leasehold	11,493	12,779
Leasehold Improvements	6,119	-
	17,612	12,779

Included above are assets held under finance leases or hire purchase contracts as follows:-

	1998	1997
	£	£
Net book values:		
Motor vehicles	18,360	40,426

9. INVESTMENTS

Cost or valuation:	Beginning and end of year £
Freehold land and buildings	55,000

The investment property was revalued in February 1995 by Walter & Randall, Chartered Surveyors. The basis of valuation was open market value. The directors consider that the open market value as at 31st January is not significantly different from Walter & Randall"s valuation and have valued the investment property at £55, 000.

The historic cost of the property was £97,518.

10. STOCKS

	1998 £	1997 £
Goods for resale	1,542,194	1,222,594

The director's consider that the replacement cost of stock is not significantly different from the historical cost.

11. DEBTORS

	1998 £	1997 £
Trade debtors	917,356	811,482
Other debtors	83,740	73,237
	1,001,096	884,719

12. **CREDITORS:** amounts falling due within one year

	1998 £	1997 £
Bank loans and overdrafts	450,908	507,418
Trade creditors	953,264	707,083
Other creditors	344,457	93,215
Corporation tax	74,925	73,300
Other taxes and social security costs	61,752	99,223
Directors' loan accounts	189,405	271,576
Net obligations under finance leases and hire purchase contracts	13,000	22,250
	2,087,711	1,774,065

13. **CREDITORS:** amounts falling due after more than one year

	1998 £	1997 £
Loans	83,500	96,789
Net obligations under finance leases and hire purchase contracts	-	16,000
	83,500	112,789

Included in the bank loan falling due after one year is £25,490 due after more than five years.

The bank loan is repayable by monthly instalments of £1800 at an interest rate of base rate plus 2.5% per annum.

The bank overdraft and bank loan amounting to £534,408 are secured by a floating charge on the Company's assets and undertakings and by a fixed charge over the Investment property.

14. SHARE CAPITAL

	1998 £	1997 £
Authorised:		
Equity interests:		
Ordinary Shares of £1 each	5,000	5,000
'A' Shares of £1 each (non voting)	5,000	5,000
	10,000	10,000
Allotted, called up and fully paid:		
Equity interests:		
Ordinary Shares of £1 each	200	200
'A' Shares of £1 each (non voting)	200	200
	400	400

15. PROFIT AND LOSS ACCOUNT

	1998 £	1997 £
Retained profit at 1 February 1997	553,112	437,008
Profit for the year	270,208	116,104
Retained profit at 31 January 1998	823,320	553,112

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1998 £	1997 £
Profit for the financial year	300,208	216,104
Dividends	(30,000)	(100,000)
Net addition to shareholders' funds	270,208	116,104
Opening shareholders' funds	553,512	437,408
Closing shareholders' funds	823,720	553,512
Represented by:-		
Equity interests	823,720	553,512

17. PENSION COSTS

Defined contribution scheme

The company operates a contributory pension scheme. It is a money purchase scheme and contributions are charged in the profit and loss account as they accrue. The charge for the year was £957 (1997: £4,739).

18. REVENUE COMMITMENTS

At the year end the company was committed to making the following payment during the next year in respect of operating leases with expiry dates as follows:

	Land and buildings		Other	
	1998	1997	1998	1997
	£	£	£	£
More than five years	146,875	128,217	-	-

19. GROSS CASH FLOWS

	1998	1997
	£	£
Returns on investments and servicing of finance		
Interest paid	(27534)	(46250)
	(27534)	(46250)
Capital expenditure		
Payments to acquire tangible fixed assets	(248034)	(113676)
Receipts from sales of tangible fixed assets	14460	60335
	(233574)	(53341)
Financing		
Debt due within a year:		
Repayment of secured loan	1041	994
Debt due beyond a year:		
Repayment of secured loan	(13290)	(12689)
Hire purchase repayments	(25250)	(23500)
	(37499)	(32195)

20. ANALYSIS OF CHANGES IN NET DEBT

	At 1 February 1997	Cash flows	At 31 January 1998
Cash in hand, at bank	3258	(125)	3133
Overdrafts	(495093)	57551	(437542)
	(491835)	57426	(434409)
Debt due within 1 year	(12325)	(1041)	(13366)
Debt due after 1 year	(967901)	13290	(83500)
Hire purchase	(38250)	25250	(13000)
TOTAL	(639200)	94925	(544275)