

RUSDENS LIMITED

ACCOUNTS

YEAR ENDED

30TH SEPTEMBER 1996

REF: 537751



SAGARS

Chartered Accountants

RUSDENS LIMITED

DIRECTORS' REPORT

DIRECTORS

M.B. Glenister	Chairman and Managing Director
D.G. Roberts	Joint Managing Director
P.B. Glenister	
D.C. Glenister	
I.J. Radden	

The directors submit their report and accounts for the year ended 30th September 1996.

PRINCIPAL ACTIVITIES

The company's principal activity during the year continues to be that of furniture retailers.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year and their beneficial interests in the company's share capital were as follows:

	Ordinary shares	
	30.09.96	30.09.95
Executors of W.M.C. Glenister Deceased	-	100
M.B. Glenister	6,000	5,900
D.G. Roberts	-	-
P.B. Glenister	2,000	2,000
D.C. Glenister	2,000	2,000
I.J. Radden	-	-

The directors retiring by rotation are M.B. Glenister and I.J. Radden who being eligible stand for re-election.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the company's state of affairs at the end of the year and of its profit or loss for that period. In preparing those accounts 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 accounts on the going concern basis unless it is inappropriate to assume 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 accounts 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 or other irregularities.

RUSDENS LIMITED

DIRECTORS' REPORT - continued

AUDITORS

A resolution to re-appoint as auditors Sagars will be put to the members at the Annual General Meeting.

EXEMPTION

In preparing this report, the board has taken advantage of special exemptions available to small companies, on the grounds that the company qualifies as small for the year ended 30th September 1996.

Approved by the board on 14th April 1997

Signed on their behalf:

P.B. Glenister
Secretary

A handwritten signature in black ink, appearing to read 'P.B. Glenister', written over the printed name and title.

AUDITORS' REPORT

TO THE SHAREHOLDERS OF RUSDENS LIMITED

We have audited the accounts on pages 4 to 13 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described in the Directors' Report the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 the information in the accounts.

Unqualified opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30th September 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SAGARS
Chartered Accountants
and Registered Auditor
Elizabeth House
Queen Street
LEEDS
LS1 2TW

14th April 1997

RUSDENS LIMITED**PROFIT AND LOSS ACCOUNT YEAR ENDED 30TH SEPTEMBER 1996**

	Notes	1996	1995
TURNOVER		1,454,287	1,495,119
COST OF SALES		771,299	892,378
GROSS PROFIT		682,988	602,741
Administrative expenses		719,990	700,022
		(37,002)	(97,281)
Other operating income	1	102,770	120,002
OPERATING PROFIT	2	65,768	22,721
Interest receivable	4	1	43
		65,769	22,764
Interest payable	5	(3,850)	(10,493)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		61,919	12,271
Tax on profit on ordinary activities	6	16,193	12,913
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR	13	£45,726	£(642)

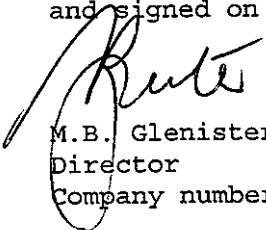
The Profit and Loss Account contains all the gains and losses recognised in the current and preceding year.

The notes on pages 7 to 13 form part of these accounts

RUSDENS LIMITED**BALANCE SHEET AT 30TH SEPTEMBER 1996**

	Notes	1996	1995
FIXED ASSETS			
Tangible assets	7	431,780	407,011
CURRENT ASSETS			
Stocks	8	228,743	224,273
Debtors	9	181,410	119,622
Cash at bank and in hand		849	823
		<u>411,002</u>	<u>344,718</u>
CREDITORS - amounts falling due within one year	10	<u>(482,772)</u>	<u>(436,145)</u>
NET CURRENT (LIABILITIES)		<u>(71,770)</u>	<u>(91,427)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		360,010	315,584
PROVISION FOR LIABILITIES AND CHARGES			
Deferred taxation	11	<u>(27,700)</u>	<u>(29,000)</u>
NET ASSETS		<u><u>£332,310</u></u>	<u><u>£286,584</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	10,000	10,000
Profit and loss account		<u>322,310</u>	<u>276,584</u>
SHAREHOLDERS' FUNDS	13	<u><u>£332,310</u></u>	<u><u>£286,584</u></u>

Approved by the board on 14th April 1997
and signed on its behalf:


M.B. Glenister
Director
Company number: 537751

The notes on pages 7 to 13 form part of these accounts

RUSDENS LIMITED

STATEMENT OF ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

This represents the net invoiced amounts of goods sold and services provided net of value added tax.

Depreciation of tangible assets

Provision is made for depreciation on all tangible assets, other than freehold land, at rates calculated to write off the cost or valuation, of each asset over its expected useful life, as follows:

Freehold buildings:	2 % per annum on straight line basis
Leasehold building:	over remaining years of lease
Fixtures and equipment:	20 % per annum on reducing balance basis
Motor vehicles:	25 % per annum on reducing balance basis

Stocks

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

Deferred taxation

Provision is made by the liability method at 24% for all material timing differences which are reasonably expected to be reversed in the foreseeable future.

Pension costs

The cost of providing pension benefits is charged to the profit and loss account over the period benefiting from the employees' services.

RUSDENS LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1996

1 OTHER OPERATING INCOME	1996	1995
Discount received	18,241	20,456
Rents and premiums received	84,529	99,546
	<u>£102,770</u>	<u>£120,002</u>
2 OPERATING PROFIT	1996	1995
This is stated after charging/(crediting):	£	£
Directors' remuneration	158,928	143,057
Auditors' remuneration	4,532	4,400
Depreciation	37,615	25,900
Adjustment on disposal of fixed assets	-	(1,481)
	<u></u>	<u></u>

RUSDENS LIMITEDNOTES ON THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1996

3 EMPLOYEE INFORMATION	1996	1995
Staff costs:		
Wages and salaries	349,665	344,068
Social security costs	37,254	35,625
Other pension costs	21,631	21,710
	<u>£408,550</u>	<u>£401,403</u>
The average weekly number of employees during the year was made up as follows:	No.	No.
Office and management	26	28
	<u>26</u>	<u>28</u>
Directors' remuneration:		
Fees and salaries	143,052	127,181
Pension contributions	15,876	15,876
Benefits in kind	7,432	-
	<u>£166,360</u>	<u>£143,057</u>
Remuneration excluding pension contributions:		
Chairman and highest paid	<u>£62,460</u>	<u>£43,960</u>
All directors fell within the following ranges:	No.	No.
£ Nil - £ 5,000	1	1
£ 5,001 - £10,000	-	1
£20,001 - £25,000	1	1
£25,001 - £30,000	-	2
£30,001 - £35,000	2	-
£40,001 - £45,000	-	1
£60,001 - £65,000	1	-

RUSDENS LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1996

4 INTEREST RECEIVABLE	1996	1995
Bank interest received	1	1
Other interest	-	42
	<u>£1</u>	<u>£43</u>
	<u>£1</u>	<u>£43</u>
5 INTEREST PAYABLE	1996	1995
Bank overdrafts repayable within 5 years not by instalments	3,850	10,493
	<u>£3,850</u>	<u>£10,493</u>
	<u>£3,850</u>	<u>£10,493</u>
6 TAXATION	1996	1995
Based on the profit on ordinary activities for the year :		
U.K corporation tax at 24% (1995 - 25%)	17,493	3,916
Deferred tax at 24% (1995 - 25%)	(1,300)	9,000
	<u>16,193</u>	<u>12,916</u>
Adjustment to previous years	-	(3)
	<u>£16,193</u>	<u>£12,913</u>
	<u>£16,193</u>	<u>£12,913</u>

RUSDENS LIMITED**NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1996****7 TANGIBLE FIXED ASSETS**

	Freehold Land and buildings	Leasehold property	Fixtures and equipment	Motor vehicles	Total
Cost:					
1st October 1995	365,032	140,317	183,952	61,143	750,444
Additions	-	-	11,748	50,636	62,384
30th September 1996	<u>£365,032</u>	<u>£140,317</u>	<u>£195,700</u>	<u>£111,779</u>	<u>£812,828</u>
Depreciation:					
1st October 1995	65,278	90,847	138,301	49,007	343,433
Charge for year	5,939	4,503	11,481	15,692	37,615
30th September 1996	<u>£71,217</u>	<u>£95,350</u>	<u>£149,782</u>	<u>£64,699</u>	<u>£381,048</u>
Net book value:					
30th September 1996	<u>£293,815</u>	<u>£44,967</u>	<u>£45,918</u>	<u>£47,080</u>	<u>£431,780</u>
30th September 1995	<u>£299,754</u>	<u>£49,470</u>	<u>£45,651</u>	<u>£12,136</u>	<u>£407,011</u>

Leasehold Property

Held on a 40 year lease from 20th November 1970	24,000
Held on a 28 year lease from 24th July 1978	40,908
	<u>64,908</u>
Costs since Acquisition	75,409
	<u>£140,317</u>

8 STOCKS

	1996	1995
Raw materials and consumables	228,743	224,273
	<u>£228,743</u>	<u>£224,273</u>

RUSDENS LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1996

9 DEBTORS	1996	1995
Trade debtors	88,514	92,142
Amounts due from Paul Corbett Company Limited	83,874	10,581
Other debtors	20	20
Prepayments	9,002	8,979
Loans to Directors	-	7,900
	<hr/>	<hr/>
	£181,410	£119,622
	<hr/>	<hr/>
10 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	1996	1995
Bank loans and overdrafts	58,558	64,544
Trade creditors	145,527	143,190
Corporation tax	17,493	3,916
Other taxes and social security costs	31,027	30,243
Accruals and deferred income	230,167	194,252
	<hr/>	<hr/>
	£482,772	£436,145
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The bank overdraft is repayable on demand and is secured by a debenture and charges on the company's property at London Road, East Grinstead.

In January 1995, a cross-guarantee in the form of a charge on the assets of the company, and in favour of Paul Corbett Co, Limited was given, to secure for that company a loan facility of £640,000 from Lloyds Bank PLC. In addition, a legal mortgage was created over land held by the company as security for the bank.

RUSDENS LIMITED**NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1996****11 DEFERRED TAXATION**

Analysis of provision made and full potential liability :

	1996		1995	
	Provision made	Full potential liability	Provision made	Full potential liability
Accelerated capital allowances	<u>£27,700</u>	<u>£27,700</u>	<u>£29,000</u>	<u>£29,000</u>

Movements on provision for deferred taxation :-

	1996	1995
1st October 1995	29,000	20,000
Transferred (to)/from profit and loss account	<u>(1,300)</u>	<u>9,000</u>
30th September 1996	<u>£27,700</u>	<u>£29,000</u>

12 CALLED UP SHARE CAPITAL

	Authorised		Allotted and fully paid	
	1996 No.	1995 No.	1996	1995
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>£10,000</u>	<u>£10,000</u>

13 SHAREHOLDER'S FUNDS

	Share capital	Profit and loss account	Total
1st October 1994	10,000	277,226	287,226
Retained loss for year		<u>(642)</u>	<u>(642)</u>
30th September 1995	10,000	276,584	286,584
Retained profit for year		<u>45,726</u>	<u>45,726</u>
30th September 1996	<u>£10,000</u>	<u>£322,310</u>	<u>£332,310</u>

RUSDENS LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 1996

14 RELATED PARTY TRANSACTIONS

An interest free loan of £7,900 was advanced on 29th September 1995 to Mrs M. Glenister, wife of M.B. Glenister, the managing director of the company. This was repaid during the year ended 30th September 1996.