

CAERLEON PERIOD FURNISHINGS LIMITED

REPORT AND ACCOUNTS

Year ended 31st August 1997

NOTLEY PEARSON SHEWRING  
Chartered Accountants  
38 Chepstow Road  
Newport  
South Wales  
NP9 1PT



**CAERLEON PERIOD FURNISHINGS LIMITED**

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OFFICERS AND PROFESSIONAL ADVISERS

Registered Number 1368516

Directors E. R. Preece  
D. G. Worgan  
Mrs B. M. Preece  
Mrs B. Worgan

Secretary D. G. Worgan

Registered Office 195 Caerleon Road  
Newport  
South Wales  
NP9 7HA

Auditors Notley Pearson Shewring  
Chartered Accountants  
38 Chepstow Road  
Newport  
South Wales  
NP9 1PT

Bankers National Westminster PLC  
High Street  
Newport  
South Wales

**REPORT OF THE DIRECTORS**

Year ended 31st August 1997

The directors present their annual report on the affairs of the company, together with the financial statements and accountants report for the above year.

**PRINCIPAL ACTIVITY**

The company's principal activity during the year was that of retail and contract furnishers.

**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:

- a select suitable accounting policies and then apply them consistently;
- b make judgements and estimates that are reasonable and prudent;
- c 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.

**DIRECTORS AND THEIR BENEFICIAL INTERESTS**

The directors of the company during the year and their beneficial interests in the issued share capital of the company at the beginning and end of the year were:

	Ordinary Shares of £1 each	
	At end of year	At beginning of year
E. R. Preece	5,100	5,100
D. G. Worgan	4,900	4,900
Mrs B. M. Preece	Nil	Nil
Mrs B. Worgan	Nil	Nil

Continued

REPORT OF THE DIRECTORS (Continued)  
Year ended 31st August 1997

SMALL COMPANY EXEMPTIONS

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD

*D. G. Worgan*

D. G. Worgan  
Secretary

Date:

*26/8/98*

## REPORT OF THE ACCOUNTANT TO THE DIRECTORS

In accordance with instructions given to us, we have prepared the financial statements set out on pages 5 to 9 from the accounting records of Caerleon Period Furnishings Limited, and from information and explanations supplied to us by the management of the Company. We have not audited the accompanying financial statements and accordingly, do not express an opinion or other form of assurance on them.



NOTLEY PEARSON SHEWRING  
Chartered Accountants

38 Chepstow Road  
Newport  
South Wales  
NP9 1PT

Date: 27.5.98 .

**PROFIT AND LOSS ACCOUNT**  
Year ended 31st August 1997

	Notes		1996 (as restated)
<b>TURNOVER</b>	2	148,841	119,107
Cost of sales		93,172	77,277
<b>GROSS PROFIT</b>		55,669	41,830
Administrative expenses		(35,250)	(31,929)
Profit on sale of fixed asset investment		-	6,186
Other operating income		250	-
<b>OPERATING PROFIT</b>	3	20,669	16,087
Interest payable		(2,614)	(2,735)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		18,055	13,352
Tax on ordinary activities	4	-	-
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		18,055	13,352
Retained losses brought forward			
As previously reported		(45,057)	(58,409)
Prior period adjustment	11	4,583	4,583
		(40,474)	(53,826)
<b>RETAINED LOSSES CARRIED FORWARD</b>		£ (22,419)	£ (40,474)

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

Profit for the year	18,055	13,352
Prior year adjustment	4,583	4,583
<b>Total recognised gains</b>	<b>£ 22,638</b>	<b>£ 17,935</b>

The notes attached form part of these financial statements.

## BALANCE SHEET

At 31st August 1997

	Notes		1996 (as restated)
<b>FIXED ASSETS</b>			
Tangible assets	5	9,424	1,921
<b>CURRENT ASSETS</b>			
Stock		27,941	19,089
Debtors and prepayments	6	23,000	12,170
		<u>50,941</u>	<u>31,259</u>
<b>CREDITORS:AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	7	<u>48,412</u>	<u>42,643</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>2,529</u>	<u>(11,384)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>11,953</u>	<u>(9,463)</u>
<b>CREDITORS:AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>			
	7	<u>(24,372)</u>	<u>(21,011)</u>
		<u>£ (12,419)</u>	<u>£ (30,474)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	10,000	10,000
Revaluation reserve		-	-
Revenue reserve	9	<u>(22,419)</u>	<u>(40,474)</u>
		<u>£ (12,419)</u>	<u>£ (30,474)</u>

These financial statements were approved by the Board on 26.8.98.

For the year in question, the company was entitled to exemption from an audit under section 249A(1) of the Companies Act 1985. No notice has been deposited under section 249B(2) of the Act in relation to the financial statements for the financial year. The directors acknowledge their responsibilities for:

- a ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- b preparing financial statements 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 of the Companies Act 1985, and which otherwise comply with the requirements of that Act 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 and in accordance with the Financial Reporting Standard for Smaller Entities.

E. R. Preece


 Director

The notes attached form part of these financial statements.



## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st August 1997

## 1 ACCOUNTING POLICIES

- a The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.
- b Turnover represents the net amount of invoices to customers less credit notes for goods returned and excludes VAT.
- c Depreciation is provided on all tangible fixed assets on the following basis:
- |                       |                    |     |
|-----------------------|--------------------|-----|
| Motor vehicles        | written down value | 25% |
| Fixtures and fittings | written down value | 15% |
- d The financial statements do not include a cash flow statement because the company as a small reporting entity, is exempt from the requirements to prepare such a statement under Financial Reporting Standard 1 Cash Flow Statements.
- e Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items.
- f 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.
- g Pension costs are charged in the year in which the premiums are payable. Differences between amounts paid and amounts charged are included in the Balance Sheet as provisions or prepayments.

## 2 TURNOVER

The turnover and profit before taxation is attributable to the Company's principal activity, namely retail and contract furnishers.

Turnover attributable to geographical markets outside the UK amounted to 1% (1996 - 0%).

## 3 OPERATING PROFIT

	1997	1996
This is stated after charging:		
Depreciation of tangible fixed assets - owned	647	623
- held under H.P. contracts	350	-
Directors' remuneration	16,682	12,786
	<u>17,679</u>	<u>13,409</u>

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st August 1997

## 4 TAXATION

Due to continued losses there is no liability to Corporation Tax.

Deferred tax has not been provided for as in the opinion of the directors the liability will not crystallise in the foreseeable future.

## 5 FIXED ASSETS

	Fixtures & Fittings	Motor Vehicles	Total
<b>COST</b>			
At 1st September 1996	3,924	7,299	11,223
Additions	5,000	4,250	9,250
Disposals	-	(5,499)	(5,499)
	<hr/>	<hr/>	<hr/>
At 31st August 1997	8,924	6,050	14,974
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1st September 1996	3,517	5,785	9,302
Charged	811	659	1,470
Disposals	-	(5,222)	(5,222)
	<hr/>	<hr/>	<hr/>
At 31st August 1997	4,328	1,222	5,550
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31st August 1997	£ 4,596	£ 4,828	£ 9,424
	<hr/>	<hr/>	<hr/>
At 31st August 1996	£ 407	£ 1,514	£ 1,921
	<hr/>	<hr/>	<hr/>

Motor vehicles includes assets with a net book value of £3,900 held under hire purchase contracts.

## 6 DEBTORS

	1997	1996
Trade debtors	22,570	11,516
Prepayments	430	654
	<hr/>	<hr/>
	£ 23,000	£ 12,170
	<hr/>	<hr/>

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st August 1997

## 7 CREDITORS:

AMOUNTS FALLING DUE WITHIN ONE YEAR	1997	1996
Bank overdraft (secured)	14,884	14,683
Trade creditors	17,116	8,002
Directors' current accounts	8,249	3,661
Accruals	2,447	5,994
Hire purchase account (secured)	1,167	-
Other taxes and social security costs	4,549	10,303
	<u>£ 48,412</u>	<u>£ 42,643</u>

AMOUNTS FALLING DUE AFTER  
MORE THAN ONE YEAR:

Directors' loan accounts	9,000	9,000
N. P. I. loan (secured)	13,330	12,011
Hire purchase (secured)	2,042	-
	<u>£ 24,372</u>	<u>£ 21,011</u>

The bank overdraft is secured by an unlimited guarantees given by two of the directors. The NPI loan is secured on the pension funds of these directors.

## 8 CALLED UP SHARE CAPITAL

	1997	1996
Authorised: Ordinary shares of £1 each	10,000	10,000
Issued and fully paid: Ordinary shares of £1 each	<u>£ 10,000</u>	<u>£ 10,000</u>

## 9 REVENUE RESERVES

	1997	1996 (as restated)
Opening shareholders' funds at 1st September 1996	(45,057)	(58,409)
Prior year adjustment (note 11)	4,583	4,583
Restated	<u>(40,474)</u>	<u>(53,826)</u>
Profit for the financial year after taxation	18,055	13,352
At 31st August 1997	<u>£ (22,419)</u>	<u>£ (40,474)</u>

## 10 PENSION COMMITMENTS

The Company operates a defined contribution scheme. The assets of the scheme are held separately from those of the Company in an independent administered fund. Pension contributions made by the Company amounted to £1,250 (1996: £1,250).

## 11 PRIOR PERIOD ADJUSTMENT

The prior period adjustment relates to a revaluation reserve which has been written back to revenue reserves as the asset is no longer held.