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POW LTD
FINANCIAL STATEMENTS

28TH FEBRUARY 1995

Registered number: 1479534

SULLY & CO
CHARTERED ACCOUNTANTS
Barnstaple



POW LTD
FINANCIAL STATEMENTS
for the Year ended 28th February 1995

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The following page does not form part of the statutory accounts

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POW LTD

COMPANY INFORMATION

28th February 1995

CHAIRMAN	H. Pow
OTHER DIRECTORS	A. Pow M. Pow
REGISTERED OFFICE	40 Mill Street Bideford North Devon
BANKERS	National Westminster Bank plc 86 High Street Bideford North Devon
REPORTING ACCOUNTANTS	Sully & Co Chartered Accountants Choweree House 21 Boutport Street Barnstaple Devon EX31 1RP

POW LTD

DIRECTORS' REPORT

28th February 1995

The directors present their report and the unaudited financial statements for the year ended 28th February 1995.

Principal activity

The principal activity of the company throughout the year was that of furniture retailing.

Directors

The directors of the company during the Year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

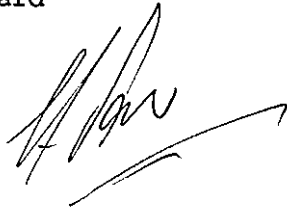
	28th February 1995 Ordinary shares	1st March 1994 Ordinary shares
H. Pow	1	1
A. Pow	1	1
M. Pow	1	1

Small company exemptions

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

On behalf of the board

Secretary
40 Mill Street
Bideford
North Devon



POW LTD

ACCOUNTANTS' REPORT

Accountants' report to the members
on the unaudited financial statements of
POW LIMITED

We report on the financial statements for the Year ended 28th February 1995 set out on pages 3 to 6.

Respective responsibilities of directors and reporting accountants

As described on page 5 the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to examine the financial statements and based upon our examination to report our opinion, as set out below, to the members.

Basis of opinion

Our work was conducted in accordance with the appropriate Standards for Reporting Accountants issued by the Auditing Practices Board. This examination consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report.

The examination was not an audit conducted in accordance with Auditing Standards. Accordingly, we do not express an audit opinion on the financial statements. Therefore our examination does not provide any assurance that the accounting records and the financial statements are free from material misstatement.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(4) of the Act;
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the Year specified in section 249A(4) of the Act and did not, at any time within that Year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

Date 29.9.95.



Sully & Co
Reporting Accountants
and Chartered Accountants
21 Boutport Street
BARNSTAPLE
Devon
EX31 1RP

PROFIT AND LOSS ACCOUNT

for the Year ended 28th February 1995

	Note	1995 £	1994 £
Turnover	2	146,642	151,291
Cost of sales		(86,225)	(95,209)
Gross profit		60,417	56,082
Net operating expenses			
Distribution costs		(8,439)	(10,508)
Administrative expenses		(63,669)	(60,056)
Operating loss	3	(11,691)	(14,482)
Investment income	4	29,277	17,005
Interest payable	5	(13,997)	(23,365)
Profit/(loss) on ordinary activities before taxation		3,589	(20,842)
Taxation	6	(1,374)	-
Profit/loss on ordinary activities after taxation		2,215	(20,842)
retained for the Year	14		

Movements in reserves are shown in note 14.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1995 or 1994 other than the profit (loss) for the Year.

POW LTD
BALANCE SHEET
at 28th February 1995

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	Note	£	1995 £	£	1994 £
Fixed assets					
Tangible assets	7		18,310		22,372
Current assets					
Stocks	8	43,596		27,822	
Debtors	9	2,063		3,708	
Cash at bank and in hand		637		637	
			<hr/>	<hr/>	
		46,296		32,167	
Creditors: amounts falling due within one year	10	(105,934)		(105,101)	
			<hr/>	<hr/>	
Net current liabilities			(59,638)		(72,934)
Total assets less current liabilities			(41,328)		(50,562)
Creditors: amounts falling due after more than one year	11		(101,795)		(94,776)
			<hr/>	<hr/>	
			(143,123)		(145,338)
			<hr/>	<hr/>	
Capital and reserves					
Called up share capital	12		3		3
Profit and loss account	13		(143,126)		(145,344)
			<hr/>	<hr/>	
Total shareholders' funds			(143,123)		(145,341)
			<hr/>	<hr/>	

Directors statement

- (a) The exemption conferred by Section 249A(2) not to have these accounts audited applies to the company and the directors confirm that no notice has been deposited under Section 249B(2) of the Companies Act 1985.
The directors acknowledge their responsibility for ensuring that:
- (i) the company keeps accounting records which comply with Section 221 of the Companies Act 1985; and
 - (ii) the accounts give a true and fair view of the state of affairs of the company as at 28 February 1995 and of its loss for the year then ended in accordance with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.
- (b) In the preparation of the company's annual financial statements, the directors have taken advantage of special exemptions available to small companies under Part 1 of Schedule 8 to the Companies Act 1985 on the grounds that, in their opinion, the company is entitled to those exemptions.

The financial statements on pages 5 to 6 were approved by the board of directors on 27/2/95 1995.

H. Pow
Chairman



POW LTD
NOTES ON FINANCIAL STATEMENTS
28th February 1995

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Land and buildings	- over 25 years
Furnishings, plant and equipment	- 10% on cost
Motor vehicles	- 25% on cost

Stocks

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

2 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax.

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK. (1994 nil)

3 Operating loss

	1995 £	1994 £
Operating loss is stated after crediting		
Profit on sale of assets	173	-
and after charging	<u> </u>	<u> </u>
Auditors and accountants remuneration	2,109	2,423
Depreciation	3,051	4,419
Directors remuneration	23,948	19,957
	<u> </u>	<u> </u>

4 Non-Trading Income

	1995 £	1994 £
Net Rental Income	29,277	17,005
	<u> </u>	<u> </u>

POW LTD

NOTES ON FINANCIAL STATEMENTS

28th February 1995

5 Interest payable

	1995 £	1994 £
Bank interest	3,025	8,823
Business development loan interest	10,972	14,542
	<u>13,997</u>	<u>23,365</u>

6 Taxation

	1995 £	1994 £
Corporation tax on profit on ordinary activities at 25% (1994 25%)	1,374	-
	<u>1,374</u>	<u>-</u>

7 Tangible fixed assets

	Land and Buildings £	Plant and Machinery etc £	Total £
Cost or valuation			
1st March 1994	9,187	51,424	60,611
Additions	-	952	952
Disposals	-	(8,270)	(8,270)
28th February 1995	<u>9,187</u>	<u>44,106</u>	<u>53,293</u>
Depreciation			
1st March 1994	881	37,358	38,239
Charge for Year	346	2,705	3,051
Written off on disposals	-	(6,307)	(6,307)
28th February 1995	<u>1,227</u>	<u>33,756</u>	<u>34,983</u>
Net book amount			
28th February 1995	<u>7,960</u>	<u>10,350</u>	<u>18,310</u>
1st March 1994	<u>8,306</u>	<u>14,066</u>	<u>22,372</u>

8 Stocks

	1995 £	1994 £
Stock of furniture	<u>43,596</u>	<u>27,822</u>

POW LTD
NOTES ON FINANCIAL STATEMENTS
28th February 1995

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9 Debtors

	1995 £	1994 £
Amounts falling due within one year		
Trade debtors	1,922	2,890
Other debtors	141	818
	<u>2,063</u>	<u>3,708</u>

10 Creditors: amounts falling due within one year

	1995 £	1994 £
Bank overdrafts	36,304	80,018
Trade creditors	3,112	4,843
Other creditors	66,518	20,240
	<u>105,934</u>	<u>105,101</u>

The bank overdraft and loans are secured by a legal mortgage over freehold land owned by the directors, dated 15th septemebr 1988 and by an equitable charge over the company's assets. The business development loan was replaced by a new business development loan on 27th October 1994. The bank is relying on its exisiting security for the purposes of this loan.

11 Creditors: amounts falling due after more than one year

	1995 £	1994 £
Business developepment loan		
Repayable two - five years	42,488	35,821
Repayable over five years	59,307	58,955
	<u>101,795</u>	<u>94,776</u>

12 Called up share capital

	1995		1994	
	Number of shares	£	Number of shares	£
Authorised	5,000	5,000	5,000	5,000
Allotted called up and fully paid Ordinary shares of £1 each	3	3	3	3

13 Profit and loss account

	1995 £
1st March 1994	(145,341)
Retained profit for the Year	2,215
28th February 1995	<u>(143,126)</u>

14 Transactions with directors

The compnay occuppies property owned by the directors for which no rent is charged.