

PINE & CANE FURNISHINGS LTD

FINANCIAL STATEMENTS

30th September, 1995

Registered No : 01746743



Robinson, Gale & Co.
REGISTERED AUDITORS
1 LITCHDON STREET,
BARNSTAPLE,
DEVON EX32 8ND.

PINE & CANE FURNISHINGS LTD

FINANCIAL STATEMENTS

30th September 1995

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PINE & CANE FURNISHINGS LTD

DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report and financial statements for the year ended 30th September, 1995

Description of the 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 :

- select suitable accounting policies and then apply them consistently;

- make judgements and estimates that are reasonably prudent;

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.

Activities

The principal activity of the company continues to be that of retailers of Pine Furniture

Results and Dividends

The results for the year are given in the profit and loss account on page 4

The Directors do not recommend payment of a dividend

Fixed assets

The information relating to fixed assets is given in note 7 to the financial statements

Directors

The Directors and their interests in the share capital of the company throughout the year were as follows :

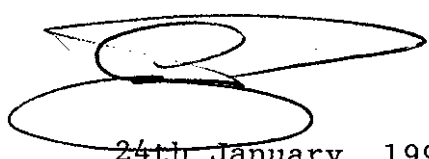
		£1 Ordinary Shares	
		1995	1994
G. Mead	Esq	1	1
L. Mead	Mrs	1	1

Auditors

In accordance with an Elective Resolution passed the 8th November, 1995 the Auditors Messrs Robinson Gale & Co are to continue in office.

By Order of the Board

G. Mead Esq



24th January, 1996

PINE & CANE FURNISHINGS LTD

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 3.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our findings and 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 information in the financial statements.

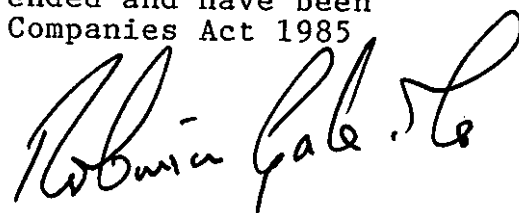
Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th September, 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985

15th March, 1996

Robinson Gale & Co

1 Litchdon Street Barnstaple North Devon



Registered Auditors

PINE & CANE FURNISHINGS LTD

ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention, and in accordance with s226 of, and schedule 4 to, the Companies Act 1985

Turnover

Turnover represents the amounts invoiced in respect of goods and services supplied to customers and is stated net of VAT

Fixed Assets and Depreciation

Depreciation is provided by the company to write off the cost of tangible fixed assets over their estimated useful economic lives as follows:

Fixtures and Fittings	15% reducing balance
Motor Vehicles	25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value

Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an asset or liability will crystallise in the foreseeable future

PINE & CANE FURNISHINGS LTD

PROFIT AND LOSS ACCOUNT

for the year ended 30th September 1995

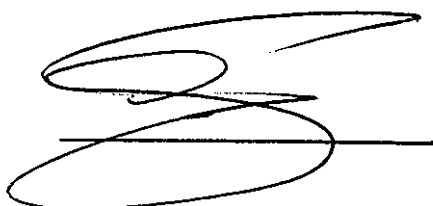
	<u>Notes</u>	<u>1995</u>	<u>1994</u>
Turnover	1	781031	910467
Cost of Sales		453753	553691
Gross Profit		<u>327278</u>	<u>356776</u>
Administrative Expenses		293664	320434
Trading Profit	2	<u>33614</u>	<u>36342</u>
Interest Payable	5	4952	7865
		<u>28662</u>	<u>28477</u>
Exceptional Item		-	(22500)
Profit on Ordinary Activities before taxation		<u>28662</u>	<u>5977</u>
Tax on Ordinary Activities	6	6955	6953
Retained Profit/(Loss) for the year		<u>21707</u>	<u>(976)</u>

PINE & CANE FURNISHINGS LTD

BALANCE SHEET

as at 30th September 1995

	<u>Notes</u>	<u>1995</u>	<u>1994</u>
<u>FIXED ASSETS</u>			
Tangible Assets	7	25764	30741
<u>CURRENT ASSETS</u>			
Stocks	8	104098	101093
Debtors	9	5555	22271
Cash at Bank and In Hand		<u>400</u>	<u>400</u>
		110053	123764
<u>CREDITORS</u>			
Due within one year	10	<u>226684</u>	<u>267079</u>
		(116631)	(143315)
		<u>(90867)</u>	<u>(112574)</u>
		<u><u> </u></u>	<u><u> </u></u>
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	11	2	2
Profit and Loss Account	12	(90869)	(112576)
		<u>(90867)</u>	<u>(112574)</u>
		<u><u> </u></u>	<u><u> </u></u>




PINE & CANE FURNISHINGS LTD

NOTES

(forming part of the financial statements)

1. ANALYSIS OF TURNOVER

All turnover is derived in the United Kingdom from the Company's principal activity

2. <u>TRADING PROFIT</u>	<u>1995</u>	<u>1994</u>
Trading Profit as stated after charging:		
Auditors remuneration	500	500
Depreciation	7728	9666
Profit on Sale of Fixed Assets	-	311
	<u> </u>	<u> </u>

3. STAFF COSTS

Wages and Salaries	105694	131758
Social Security Costs	<u>12268</u>	<u>13112</u>
	117962	144870

4. DIRECTORS' EMOLUMENTS

Included in the above are amounts paid to the directors as follows	25000	32000
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5. INTEREST PAYABLE

Interest on bank loans, overdrafts and other loans repayable within five years	4952	7865
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6. TAX ON PROFIT ON ORDINARY ACTIVITIES

Corporation Tax at 25%	6955	6953
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PINE & CANE FURNISHINGS LTD

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NOTES (continued)

(forming part of the financial statements)

7. <u>TANGIBLE FIXED ASSETS</u>	<u>Fixtures & Fittings</u>	<u>Motor Vehicles</u>	<u>Total</u>
<u>Cost</u>			
As at 1st October, 1994	6585	71681	78266
Additions	2751	-	2751
Disposals	-	-	-
As at 30th Sept, 1995	9336	71681	81017
<u>Depreciation</u>			
As at 1st October, 1994	2888	44637	47525
Charge for the year	967	6761	7728
Disposal	-	-	-
As at 30th Sept, 1995	3855	51398	55253
<u>Net Book Value</u>			
As at 30th Sept, 1995	5481	20283	25764
As at 30th Sept, 1994	3697	27044	30741
8. <u>STOCKS</u>		<u>1995</u>	<u>1994</u>
Goods for re-sale		104098	101093
9. <u>DEBTORS</u>		<u>1995</u>	<u>1994</u>
Corporation Tax		3255	3255
Prepayments and Accrued Income		2300	19016
		5555	22271
10 <u>CREDITORS</u>		<u>1995</u>	<u>1994</u>
Amounts falling due within one year			
Bank Loans and Overdrafts		80023	97966
Trade Creditors		42792	64774
Other Taxes and Social Security		10702	7418
Other Creditors		9500	11000
Accruals and Deferred Income		4230	5600
Directors Loan		72482	73368
Corporation Tax		6955	6953
		226684	267079

PINE & CANE FURNISHINGS LTD

NOTES (continued)

(forming part of the financial statements)

11.	<u>CALLED UP SHARE CAPITAL</u>	<u>Authorised</u>	<u>Issued/Fully Paid</u>
	Ordinary Shares of £1 each	100	2 (1994 2)
12.	<u>RESERVES</u>		
	Profit and Loss Account:		
	Loss as at 1st October, 1994		(112576)
	Profit for the year		<u>21707</u>
	Loss as at 30th September, 1995		(90869)

PINE & CANE FURNISHINGS LTD

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH SEPTEMBER 1995

	<u>1995</u>	<u>1994</u>
<u>TURNOVER</u>	781031	910467
<u>COST OF SALES</u>		
Opening Stock	101093	93872
Purchases	<u>456758</u>	<u>560912</u>
	557851	654784
Less Closing Stock	<u>104098</u>	<u>101093</u>
	<u>453753</u>	<u>553691</u>
<u>GROSS PROFIT</u>	327278	356776
<u>EXPENSES</u>		
Salaries and Wages	93541	112870
Directors Remuneration	25000	32000
Pension Contributions	5500	-
Carriage and Delivery	-	579
Rent and Rates	92339	88351
Motor Expenses	7155	8677
Travelling Expenses	267	245
Telephone	3220	4920
Printing and Stationery	1470	1253
Postage	290	230
Repairs and Renewals	2285	378
Advertising	25871	30069
General Expenses	1029	1492
Audit and Accountancy	3063	3000
Insurances	8424	5211
Heat and Light	5046	4948
Loan Interest	3660	1531
Bank Charges and Interest	3758	10151
Credit Card Charges	8886	10317
Legal and Professional Fees	84	1223
Depreciation	7728	9355
Interest on Overdue Tax	-	1499
Pension Contributions	5500	-
	<u>298616</u>	<u>328299</u>
<u>NET PROFIT</u> for the year	28662	28477