

DEXHALL LIMITED
(Trading as Midfurn)

FINANCIAL STATEMENTS
31 MARCH 1996

Registered number 1995239



Haswell Veitch
Chartered Accountants
Stanton Wick House
Pensford
Avon BS18 4BY

DEXHALL LIMITED

REPORT OF THE DIRECTORS

The directors submit their report and financial statements of Dexhall Limited for the year ended 31 March 1996.

ACTIVITIES

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

REVIEW OF THE BUSINESS

The company has experienced another difficult year, however the early signs for 1996 are encouraging.

DIVIDENDS

The directors

DIRECTORS

The directors as at 31 March 1996, together with their interest in the share capital of the company are shown below:-

	Ordinary Shares of £1 each	
	31.03.96	31.03.95
Mr P Speed	90	90

AUDITORS

Mr A Leedham resigned as auditor of the Company in 1995 and Messrs Haswell Veitch were appointed in their stead. A resolution to re-appoint Haswell Veitch as auditor will be proposed in General Meeting.

By order of the Board

Jeremy Speed

J Speed
Secretary

3 January 1997

DEXHALL LIMITED

Financial statements for the year ended 31 March 1996

STATEMENT OF 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 reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements;
- 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 irregularities.

REPORT OF THE AUDITORS TO THE MEMBERS OF DEXHALL LIMITED

We have audited the financial statements on pages 5 to 15 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 and 8.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an opinion, based on our audit, on those statements 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 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 31 March 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

HASWELL VEITCH
Registered Auditor and
Chartered Accountants
Stanton Wick House
Pensford
Avon BS18 4BY



3 January 1997

DEXHALL LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 March 1996

	Notes	1996 £	1995 £
TURNOVER	1	832,961	741,989
Less: Cost of sales		542,534	511,534
		-----	-----
Gross profit		290,427	230,455
Other operating expenses (net)	2	284,118	281,574
		-----	-----
OPERATING PROFIT/(LOSS)		6,309	(51,119)
Interest receivable	3	7,590	6,486
Interest payable	4	(6,543)	(6,201)
		-----	-----
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	5	7,356	(50,834)
Taxation	8	(4,784)	-
		-----	-----
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	16	12,140	(50,834)
		=====	=====

All income and expenditure derive from the company's continuing operations. There were no operations discontinued or acquired during the year.

As there were no gains or losses, other than those accounted for in the profit and loss account, no Statement of Recognised Gains and Losses has been included with these financial statements.

The notes on pages 7 to 15 form part of these financial statements.

DEXHALL LIMITED

BALANCE SHEET

As at 31 March 1996

	Notes	1996 £	1995 £
FIXED ASSETS			
Tangible assets	9	43,840	46,199
CURRENT ASSETS			
Stocks	10	136,979	123,542
Debtors	11	19,171	5,135
Cash in hand		105,339	137,687
		<u>261,489</u>	<u>266,364</u>
CURRENT LIABILITIES			
Amounts falling due within one year	12	180,075	195,366
NET CURRENT ASSETS		<u>81,414</u>	<u>70,998</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>125,254</u>	<u>117,197</u>
CREDITORS -amounts falling due after one year	13	(7,976)	(12,059)
NET ASSETS		<u><u>117,278</u></u>	<u><u>105,138</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	100	100
Capital reserve	15	20,866	20,866
Profit and loss account	16	96,312	84,172
Equity shareholders funds	17	<u><u>117,278</u></u>	<u><u>105,138</u></u>

The note on pages 7 to 15 form part of these financial statements.

Approved by the Board on 3 January 1997

P Speed

DIRECTOR

DEXHALL LIMITED

Financial statements for the year ended 31 March 1996

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

The company has taken advantage of the exemption allowed under section 8 of FRS 1, permitting the company not to include a cash flow statement, as the company is classified as a small company under sections 246 to 249 of the Companies Act 1985.

DEFERRED TAXATION

Provision is made for taxation deferred or accelerated by the effect of timing differences, to the extent that it is probable that the liability will crystallise, at the rate expected to be ruling at that date.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of services provided to customers.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost.

Depreciation is provided on all tangible fixed assets to write off the cost of the asset by equal instalments over its estimated useful life as follows:-

Fixtures and fittings	10% - reducing balance
Motor vehicles	25% - reducing balance

STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal.

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ('finance leases'), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

DEXHALL LIMITED

Financial statements for the year ended 31 March 1996

ACCOUNTING POLICIES (continued)

LEASED ASSETS AND OBLIGATIONS (continued)

All other leases are 'operating leases' and the annual rentals are charged to the profit and loss account on straight line basis over the lease.

RESEARCH AND DEVELOPMENT

Expenditure on research and development is written off as it is incurred.

PENSION CONTRIBUTIONS

The company makes contributions to insured schemes for directors to cover both pensions and life assurance. Payments made are charged to the profit and loss account in the year in which they are incurred.

DEXHALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1996

	1996	1995
	£	£
1 TURNOVER AND PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		
The company's turnover and profit/(loss) before taxation were all derived from its principal activity. Sales were made in the following geographical markets.		
United Kingdom and Eire	832,961	741,989
	<u> </u>	<u> </u>
2 OTHER OPERATING EXPENSES(NET)		
Distribution costs	-	3,074
Administrative expenses	284,118	274,987
	<u> </u>	<u> </u>
	284,118	278,061
	<u> </u>	<u> </u>
3 INVESTMENT INCOME		
Bank deposit interest	7,590	6,486
	<u> </u>	<u> </u>
4 INTEREST PAYABLE		
On bank loans and overdrafts and other loans wholly repayable within 5 years :		
Finance leases and hire purchase contracts	791	211
Credit card commissions	4,479	5,990
Other	1,273	-
	<u> </u>	<u> </u>
	6,543	6,201
	<u> </u>	<u> </u>

DEXHALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1996

	1996	1995
	£	£
6 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		
Profit/(loss) on ordinary activities before taxation is stated after charging		
/(crediting):-		
Depreciation and amounts written off tangible fixed assets :		
Owned assets	11,559	11,559
Auditors remuneration	2,000	2,000
	<u>11,559</u>	<u>11,559</u>
7 EMPLOYEES		
The average weekly number of employees (including directors) employed by the company during the year was :		
Office and management	8	8
	<u>8</u>	<u>8</u>
Staff costs for the above persons :		
Wages and salaries	102,466	93,968
Social security costs	9,040	8,202
Other pensions costs	3,936	3,933
	<u>115,442</u>	<u>106,103</u>
DIRECTORS REMUNERATION		
Fees	28,298	27,224
Other Emoluments (including pension contributions and benefits in kind)	3,936	3,733
	<u>32,234</u>	<u>30,957</u>

DEXHALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1996

	1996	1995	
	£	£	
8 TAXATION			
Based on the profit for the year:-			
UK Corporation tax at 25% (1995:-25%)	1,839	-	
Deferred tax	-	-	
	-----	-----	
	1,839	-	
(Over)/under provided in earlier years	(6,623)	-	
	-----	-----	
	4,784	-	
	=====	=====	
9. FIXED ASSETS			
	Fixtures & fittings	Motor vehicles	Total
	£	£	£
COST			
As at 1.04.95	32,724	40,001	72,725
Additions	-	11,800	11,800
Deletions	-	(6,000)	(6,000)
	-----	-----	-----
As at 31.03.96	32,724	45,801	78,525
	-----	-----	-----
DEPRECIATION			
As at 1.04.95	15,449	11,077	26,526
Charge for the year	1,728	9,431	11,159
Deletions	-	(3,000)	(3,000)
	-----	-----	-----
As at 31.03.96	17,177	17,508	34,685
	-----	-----	-----
NET BOOK VALUE			
As at 31.03.96	15,547	28,293	43,840
	=====	=====	=====
As at 31.03.95	17,275	28,924	46,199
	=====	=====	=====

DEXHALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1996

	1996	1995
	£	£
10 STOCKS		
Goods for resale	136,979	123,542
	<u>136,979</u>	<u>123,542</u>
11 DEBTORS(due within one year)		
Trade debtors	-	1,973
Other debtors	11,148	3,162
Prepayments and accrued income	8,023	-
	<u>19,171</u>	<u>5,135</u>
12 CREDITORS		
Amounts falling due within one year		
Bank loans	4,762	5,755
Obligations under finance leases	5,867	4,299
Trade creditors	136,574	152,014
Corporation tax	1,839	-
Other taxation and social security costs	9,476	3,749
Other creditors	19,055	27,549
Accruals and deferred income	2,502	2,000
	<u>180,075</u>	<u>195,366</u>

DEXHALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1996

	1996	1995
	£	£
13 CREDITORS		
Amounts falling due in more than one year		
Bank loans	2,870	6,639
Obligations under finance leases	5,106	5,420
	<u>7,976</u>	<u>12,059</u>
Repayable by instalments		
Bank loans		
Between 2 and 5 years	2,870	6,639
Obligations under finance leases		
Between 2 and 5 years	5,106	5,420
	<u>7,976</u>	<u>12,059</u>
14 SHARE CAPITAL		
Authorised:		
100 ordinary shares of £1 each	100	100
Allotted, issued and fully paid		
100 ordinary shares of £1 each	100	100
15 CAPITAL RESERVE		
At beginning and end of the year	20,866	20,866
16 PROFIT AND LOSS ACCOUNT		
At beginning of the year	84,172	135,006
Profit/(loss) for the year	12,140	(50,834)
At end of the year	<u>96,312</u>	<u>84,172</u>

DEXHALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 1996

	1996	1995
	£	£
17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS		
Profit/(loss) for the financial year	12,140	(50,834)
Opening shareholders' funds	105,138	155,972
	-----	-----
Closing shareholders' funds	117,278	105,138
	=====	=====
18 CAPITAL COMMITMENTS		
Capital expenditure contracted for but not provided in the financial statements	nil	nil
Capital expenditure authorised but not contracted for	nil	nil
	=====	=====