

LAWLER CARPETS LIMITED

REGISTERED NUMBER 2791918

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2003



## LAWLER CARPETS LIMITED

### REPORT OF THE DIRECTORS

The Directors submit their report and the financial statements of the company for the year ended 30th.June 2003.

#### ACTIVITY

The principal activity of the Company is, and continues to be, that of Carpet Contractors.

#### RESULTS AND STATE OF AFFAIRS

The financial statements on pages 5 to 13 set-out the results for the year ended 30th.June 2003 and reflect the state of the Company's affairs at that date.

The financial statements show a small profit for the year which the Board considers satisfactory for difficult trading conditions. It is hoped that profitability will be maintained in the current year.

#### PRESENTATION OF THE FINANCIAL STATEMENTS

Following the introduction of Financial Reporting Standard No.3, "Reporting Financial Performance", the Directors confirm that the financial statements conform with the new requirements. A statement of total recognised gains and losses has been presented together with a reconciliation of movements on shareholders funds.

#### DIVIDEND AND TRANSFERS TO RESERVES

The Directors do not propose to declare a dividend in respect of the year.

The profit for the year of £1,586 has been transferred to reserves.

#### POST BALANCE SHEET EVENTS

Nothing of significance.

LAWLER CARPETS LIMITED

REPORT OF THE DIRECTORS (continued)

FIXED ASSETS

Details of movements in Fixed Assets are shown in note 8 to the financial statements

DIRECTORS AND THEIR INTERESTS

The Members of the board during the year and their interests in the Company's shares were as follows:-

	Interest at end of year	Interest at beginning of year
	<u>Number of Shares</u>	<u>Number of Shares</u>
Mrs.D.J.Taylor	Nil	Nil
P.H.Burkett	10	10
D.A.Taylor	Nil	Nil

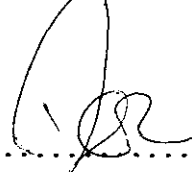
REPORTING ACCOUNTANTS

A resolution will be proposed at the forthcoming Annual General Meeting for the re-appointment of Messrs.Michael Morton & Co, who have expressed their willingness to continue in office as reporting accountants for the ensuing year.

"Strathmore" The Nap,  
Kings Langley,  
Herts., WD4 8ES.

Dated 17th.March 2004

BY ORDER OF THE BOARD

  
.....  
Secretary.

LAWLER CARPETS LIMITED

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Directors are required by United Kingdom company law to prepare financial statements for each financial year 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 the results for that year.

The Directors confirm that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates have been used in the preparation of the financial statements and that applicable accounting standards have been followed. The financial statements have been prepared on the "going concern" basis.

The Directors are also responsible for maintaining adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS ON THE  
UNAUDITED ACCOUNTS OF LAWLER CARPETS LIMITED

We report on the financial statements on pages 5 to 13 which have been prepared under the historical cost convention and the accounting policies set-out on page 10.

Respective Responsibilities of Directors and Reporting Accountants

As described above 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 carry out procedures designed to enable us to report our opinion on these financial statements to you.

Basis of Opinion

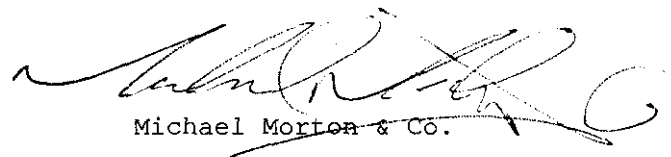
Our work was conducted in accordance with the Statements of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the Company, and making such limited enquiries of the officers of the Company as we considered necessary for the purpose of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion :-

- a) the accounts 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 accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249c(6) of the Act: and
  - ii) the Company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249a(4) of the Act and did not, at any time within the year, fall within any of the categories of companies not entitled to the exemption specified in section 249b(1).

"Strathmore" The Nap,  
Kings Langley,  
Herts., WD4 8ES.

  
Michael Morton & Co.  
Chartered Accountants

Dated 18th. March 2004

LAWLER CARPETS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH.JUNE 2003

	<u>Note</u>	<u>£</u> <u>2003</u> <u>£</u>	<u>£</u> <u>2002</u> <u>£</u>
<u>Turnover</u> - continuing operations	2	335,701	373,637
Cost of Sales - continuing operations		174,032	198,874
		-----	-----
<u>Gross Profit</u> - continuing operations		161,669	174,763
Loss on Sale of Fixed Assets	-		742
Net Operating Expenses	3	157,119	171,511
		-----	-----
		157,119	172,253
		-----	-----
<u>Trading Profit</u> - continuing operations	4	4,550	2,510
Interest Payable	6	2,729	2,824
		-----	-----
<u>Profit/(Loss) on Ordinary activities before taxation</u>		1,821	( 314)
Tax on ordinary activities	7	( 235)	( 95)
		-----	-----
<u>Profit/(Loss) for the Financial Year, Retained</u>		1,586	( 409)
<u>Retained Profit</u>			
<u>Brought Forward</u>		15,575	15,984
		-----	-----
<u>Retained Profit</u>			
<u>Carried Forward</u>		17,161	15,575
		=====	=====

LAWLER CARPETS LIMITED

BALANCE SHEET AS AT 30TH. JUNE 2003

	<u>Note</u>	<u>2003</u>	<u>2002</u>
		<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>			
Tangible Assets	8	17,033	22,339
<u>CURRENT ASSETS</u>			
Stocks	9	42,000	37,500
Debtors	10	132,122	118,858
Cash at Bank and in Hand		4,000	4,698
		-----	-----
		178,122	161,056
<u>CREDITORS : AMOUNTS FALLING</u>			
<u>DUE WITHIN ONE YEAR</u>	11	123,705	132,454
		-----	-----
<u>NET CURRENT ASSETS</u>		54,417	28,602
		-----	-----
<u>TOTAL ASSETS LESS CURRENT</u>			
<u>LIABILITIES</u>		71,450	50,941
<u>CREDITORS : AMOUNTS FALLING</u>			
<u>DUE AFTER MORE THAN ONE YEAR</u>	12	54,189	35,266
		-----	-----
<u>NET ASSETS</u>		17,261	15,675
		=====	=====
<u>CAPITAL AND RESERVES</u>			
Called-up Share Capital	13	100	100
Profit and Loss Account		17,161	15,575
		-----	-----
-----Director		17,261	15,675
		=====	=====
-----Director	6		

LAWLER CARPETS LIMITED

BALANCE SHEET (continued)

AS AT 30TH.JUNE 2003

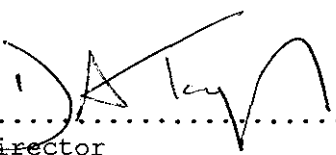
For the year ended 30th.June 2003 the Company was entitled to the exemption conferred by subsection (1) of section 249A of the Companies Act 1985.

No notice has been deposited under subsection (2) of section 249B of the Companies Act 1985 in relation to its accounts for the financial year.

The Directors acknowledge their responsibility for :-

- i) ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985, and for
- ii) preparing accounts 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, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the Company.

ON BEHALF OF THE BOARD

  
.....  
Director



LAWLER CARPETS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains and losses other than those included in the results shown on page 5 and, therefore, no separate statement of total recognised gains and losses has been presented.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

There is no difference between the loss on ordinary activities before taxation and the retained loss for the year stated on page 5 and their historical cost equivalents.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2002</u> <u>£</u>	<u>2002</u> <u>£</u>
Total recognised gains and losses for the year	1,586	( 409)
Shareholders' Funds at 30th.June 2002	15,675 -----	16,084 -----
Shareholders' Funds at 30th.June 2003	17,161 =====	15,675 =====

LAWLER CARPETS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH.JUNE 2003

	<u>Note</u>	<u>2003</u>	<u>2002</u>
		<u>£</u>	<u>£</u>
Net cash movement from continuing operating activities	16	7,863	( 8,242)
<u>Return on investments and servicing of finance</u>			
Interest paid		(2,729)	(2,824)
<u>Taxation</u>			
Net Taxation(paid) /surrendered		( - )	( 95)
<u>Investment activities</u>			
Payments to acquire tangible fixed assets		( - )	( 474)
Proceeds from sales of tangible fixed assets		-	100
		-----	-----
		-	( 374)
		-----	-----
<u>Movement in cash and cash equivalents</u>	17	5,134	( 11,535)
		=====	=====

LAWLER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH.JUNE 2003

1.ACCOUNTING POLICIES

The principal accounting policies adopted, which have been applied consistently, are as follows :-

a) Convention

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

b) Depreciation

Depreciation is provided on all tangible fixed assets at annual rates calculated to write off the cost or valuation of each asset over its expected useful life, on a reducing balance basis, unless otherwise stated, as follows :-

	<u>Annual Rate</u>
Motor Vehicles	25%
Furniture, Fittings & Equipment	20%

c) Stocks

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

d) Foreign Currencies

Assets and liabilities in foreign currencies are converted at the rates ruling at the balance sheet date.

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction.

All exchange differences are charged/credited to profit and loss account.

2. TURNOVER

Turnover is the amount derived from the provision of goods and services, after deduction of trade discounts and exclusive of Value Added Tax, and is analysed as follows:-

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
United Kingdom	335,701	373,637
European Community	-	-
	-----	-----
	335,701	373,637
	=====	=====

LAWLER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH.JUNE 2003 (continued)

3. NET OPERATING EXPENSES -  
CONTINUING OPERATIONS

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
Administrative Expenses	157,119	171,511
	=====	=====

4. TRADING (LOSS)/PROFIT

The Trading (Loss)/Profit is stated  
after charging :-

Staff Costs	52,501	70,510
Accountants' Remuneration	500	500
Leasing and Hire of Plant and Machinery	-	48
Depreciation of Tangible Fixed Assets	5,306	6,984
	=====	=====

5. STAFF COSTS

a) Staff Costs comprises :-

Wages and salaries	47,418	63,693
Social Security Costs	5,083	6,817
	-----	-----
	52,501	70,510
	=====	=====

b) Employees

The average weekly number of employees  
during the year was 2. Due to the size  
of the Company there is no formal  
analysis of the staff.

c) Directors' Remuneration

Directors' Remuneration is included  
in Staff Costs and consists of :

Fees	27,293	27,544
	=====	=====

LAWLER CARPETS LIMITED  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30TH.JUNE 2003 (continued)

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
6. <u>INTEREST PAYABLE</u>		
Interest on bank loans and overdrafts and other loans repayable within 5 year	2,729	2,792
Interest on Overdue Taxation	-	32
	-----	-----
	2,729	2,824
	=====	=====

7. <u>TAX ON ORDINARY ACTIVITIES</u>		
United Kingdom corporation tax (payable) on losses surrendered for the year @ 10%	-	( 95)
United Kingdom corporation tax (payable) on results for the year	( 235)	-
	-----	-----
	( 235)	( 95)
	=====	=====

8. TANGIBLE FIXED ASSETS

	<u>Motor Vehicles</u>	<u>Furniture Fittings Equipment</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost:</u>			
At beginning and end of year	36,384	16,063	52,447
	=====	=====	=====
<u>Depreciation:</u>			
At beginning of year	19,585	10,523	30,108
Provided for year	4,199	1,107	5,306
	-----	-----	-----
At end of year	23,784	11,630	35,414
	=====	=====	=====
<u>Net Book Value:</u>			
At beginning of year	16,799	5,540	22,339
	=====	=====	=====
At end of year	12,600	4,433	17,033
	=====	=====	=====

LAWLER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH.JUNE 2003 (continued)

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
<u>9.STOCKS</u>		
Raw materials, consumables and finished goods for resale	42,000	37,500
	=====	=====
<u>10.DEBTORS</u>		
Trade Debtors	119,284	102,777
Amounts owed by Group Undertakings	12,728	15,996
Prepayments and Accrued Income	25	-
Other Debtors	85	85
	-----	-----
	132,122	118,858
	=====	=====
<u>11.CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		
Current Corporation Tax	235	-
Bank Overdraft	23,428	29,260
Trade Creditors	60,717	65,638
Other Taxation and Social Security	20,513	12,639
Other creditors	18,312	24,417
Accruals and Deferred Income	500	500
	-----	-----
	123,705	132,454
	=====	=====
<u>12.CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>		
Holding Company	54,189	30,402
Secured Loans repayable within 5 years	-	4,864
	-----	-----
	54,189	35,266
	=====	=====
<u>13.CALLED UP SHARE CAPITAL</u>		
<u>Authorised</u>		
1,000 Ordinary shares of £1 each	1,000	1,000
	=====	=====
<u>Issued and Fully Paid</u>		
100 Ordinary shares of £1 each	100	100
	=====	=====

LAWLER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH. JUNE 2003

14. HOLDING COMPANY

The ultimate Holding Company is Datex Holdings Limited which is incorporated in the United Kingdom.

15. DIRECTORS' INTERESTS

At the Balance Sheet date the Directors were owed a total of £13,448 on current account. There are no fixed terms for interest or repayment.

	<u>2003</u> <u>£</u>	<u>2002</u> <u>£</u>
16. <u>RECONCILIATION OF OPERATING PROFIT</u> <u>WITH NET CASH MOVEMENT FROM OPERATING</u> <u>ACTIVITIES</u>		
<u>Continuing Activities</u>		
Trading Profit	4,550	2,510
Depreciation Charges	5,306	6,984
Loss on sale of Fixed Assets	-	742
Movement in Stocks	( 4,500)	(10,500)
Movement in Debtors	(13,264)	( 5,483)
Movement in Creditors	15,771	( 2,495)
	-----	-----
<u>Net cash movement from operating</u> <u>activities</u>	7,863	( 8,242)
	=====	=====

17. ANALYSIS OF CHANGES IN CASH AND CASH  
EQUIVALENTS DURING THE PERIOD

Balance at beginning of year	(24,562)	(13,027)
Net Cash Movement	5,134	(11,535)
	-----	-----
Balance at end of year	(19,428)	(24,562)
	=====	=====