

LAWLER CARPETS LIMITED

REGISTERED NUMBER 2791918

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2000



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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 2000.

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 2000 and reflect the state of the Company's affairs at that date.

The financial statements show a disappointingly large loss for the year reflecting very difficult trading conditions. The Board has taken steps to improve the Company's performance and hopes to return to profitability 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 loss for the year of £ 3,137 has been transferred to reserves.

POST BALANCE SHEET EVENTS

A fellow subsidiary company, Shortland Upholstery Limited, is to be put into liquidation.

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

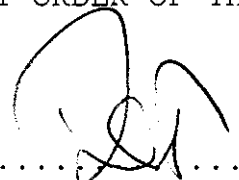
AUDITORS

A resolution will be proposed at the forthcoming Annual General Meeting for the re-appointment of Messrs.Ross Bennet-Smith, who have expressed their willingness to continue in office as auditors for the ensuing year.

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

Dated 16th. April 2001

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.

REPORT OF THE AUDITORS TO THE MEMBERS OF LAWLER CARPETS LIMITED

We have audited 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 9.

Respective Responsibilities of Directors and Auditors

As described above 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 opinion to you.

Basis of Opinion

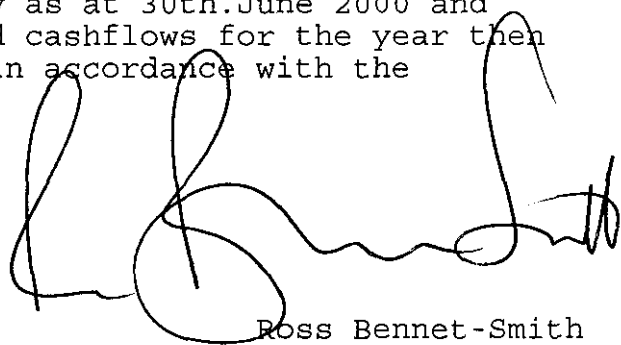
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 mis-statement, 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 affairs of the Company as at 30th.June 2000 and of its loss, total recognised gains and cashflows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

112 Jermyn Street,
London,
SW1Y 6LS.



Ross Bennet-Smith
Chartered Accountants
Registered Auditors

Dated 17th.April 2001

LAWLER CARPETS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH.JUNE 2000

	Note	£	<u>2000</u>	£	1999	£
<u>Turnover</u> - continuing operations	2		462,941		442,316	
Cost of Sales - continuing operations			302,696		287,601	
			-----		-----	
<u>Gross Profit</u> - continuing operations			160,245		154,715	
Profit on Sale of Motor Cars	-			(1,062)		
Net Operating Expenses	3	161,726		142,020		
		-----		-----		
			161,726		140,958	
			-----		-----	
<u>Trading (Loss)/Profit</u> - continuing operations	4		(1,481)		13,757	
Interest Payable	6		1,832		2,151	
			-----		-----	
<u>(Loss)/Profit on Ordinary activities before taxation</u>			(3,313)		11,606	
Tax on ordinary activities	7		176		(2,691)	
			-----		-----	
<u>(Loss)/Profit for the Financial Year, Retained</u>			(3,137)		8,915	
<u>Retained Profit</u>						
<u>Brought Forward</u>			25,773		16,858	
			-----		-----	
<u>Retained Profit/(Loss)</u>						
<u>Carried Forward</u>			22,636		25,773	
			=====		=====	

LAWLER CARPETS LIMITED

BALANCE SHEET AS AT 30TH.JUNE 2000

	Note	2000	1999
		£	£
<u>FIXED ASSETS</u>			
Tangible Assets	8	32,949	39,368
<u>CURRENT ASSETS</u>			
Stocks	9	36,000	20,000
Debtors	10	119,398	128,276
Cash at Bank and in Hand		1,534	7,296
		-----	-----
		156,932	155,572
<u>CREDITORS : AMOUNTS FALLING</u>			
<u>DUE WITHIN ONE YEAR</u>	11	120,656	96,007
		-----	-----
<u>NET CURRENT ASSETS</u>		36,276	59,565
		-----	-----
<u>TOTAL ASSETS LESS CURRENT</u>			
<u>LIABILITIES</u>		69,225	98,933
<u>CREDITORS : AMOUNTS FALLING</u>			
<u>DUE AFTER MORE THAN ONE YEAR</u>	12	46,489	73,060
		-----	-----
<u>NET ASSETS</u>		22,736	25,873
		=====	=====
<u>CAPITAL AND RESERVES</u>			
Called-up Share Capital	13	100	100
Profit and Loss Account		22,636	25,773
		-----	-----
.....Director		22,736	25,873
		=====	=====
.....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>2000</u>	1999
	<u>£</u>	£
Total recognised gains and losses for the year	(3,137)	8,915
Shareholders' Funds at 30th.June 1999	25,873	16,958
	-----	-----
Shareholders' Funds at 30th.June 2000	22,736	25,873
	=====	=====

LAWLER CARPETS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE 2000

	<u>Note</u>	<u>2000</u>	<u>1999</u>
		£	£
Net cash movement from continuing operating activities	16	2,553	54,643
<u>Return on investments and servicing of finance</u>			
Interest paid		(1,832)	(2,151)
<u>Taxation</u>			
Net Taxation paid		(2,515)	(1,793)
<u>Investment activities</u>			
Payments to acquire tangible fixed assets		(3,968)	(42,798)
Proceeds from sales of tangible fixed assets		-	9,500
		-----	-----
		(3,968)	(33,298)
		-----	-----
<u>Movement in cash and cash equivalents</u>	17	(5,762)	17,401
		=====	=====

LAWLER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH.JUNE 2000

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>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
United Kingdom	437,680	442,316
European Community	25,261	-
	-----	-----
	462,941	442,316
	=====	=====

LAWLER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH.JUNE 2000 (continued)

3. NET OPERATING EXPENSES -
CONTINUING OPERATIONS

	<u>2000</u> £	1999 £
Administrative Expenses	161,726	142,020
	=====	=====

4. TRADING (LOSS)/PROFIT

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

Staff Costs	60,980	52,880
Auditors' Remuneration	875	700
Leasing and Hire of Plant and Machinery	50	502
Depreciation of Tangible Fixed Assets	10,387	12,707
	=====	=====

5. STAFF COSTS

a) Staff Costs comprises :-

Wages and salaries	54,707	47,869
Social Security Costs	6,273	5,011
	-----	-----
	60,980	52,880
	=====	=====

b) Employees

The average weekly number of employees
during the year was 4. 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	26,530	25,521
	=====	=====

LAWLER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH.JUNE 2000 (continued)

	<u>2000</u> £	1999 £
6. <u>INTEREST PAYABLE</u>		
Interest on bank loans and overdrafts and other loans repayable within 5 year	1,832	2,151
	=====	=====

7. <u>TAX ON ORDINARY ACTIVITIES</u>		
United Kingdom corporation tax recoverable/(payable) on results for the year @ 20%/21%	176	(2,691)
	=====	=====

8. TANGIBLE FIXED ASSETS

	<u>Motor Vehicles</u> £	<u>Furniture Fittings Equipment</u> £	Total £
<u>Cost:</u>			
At beginning of year	58,702	10,718	69,420
Additions	-	3,968	3,968
	-----	-----	-----
At end of year	58,702	14,686	73,388
	=====	=====	=====

Depreciation:

At beginning of year	24,315	5,737	30,052
Provided for year	8,597	1,790	10,387
	-----	-----	-----
At end of year	32,912	7,527	40,439
	=====	=====	=====

Net Book Value:

At beginning of year	34,387	4,981	39,368
	=====	=====	=====
At end of year	25,790	7,159	32,949
	=====	=====	=====

LAWLER CARPETS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH.JUNE 2000 (continued)

	<u>2000</u> £	1999 £
9. STOCKS		
Raw materials, consumables and finished goods for resale	36,000	20,000
	=====	=====
10. DEBTORS		
Trade Debtors	92,207	101,333
Amounts owed by Group Undertakings	26,791	26,943
Prepayments and Accrued Income	400	-
	-----	-----
	119,398	128,276
	=====	=====
11. CREDITORS: <u>AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		
Trade Creditors	70,472	51,313
Current corporation tax	-	2,691
Other Taxation and Social Security	23,471	16,520
Other creditors	25,463	24,783
Accruals and Deferred Income	1,250	700
	-----	-----
	120,656	96,007
	=====	=====
12. CREDITORS: <u>AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>		
Holding Company	42,906	57,760
Secured Loans repayable within 5 years	3,583	15,300
	-----	-----
	46,489	73,060
	=====	=====
13. <u>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 2000

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 £13,746 on current account. There are no fixed terms for interest or repayment.

	<u>2000</u> £	1999 £
16. <u>RECONCILIATION OF OPERATING PROFIT</u> <u>WITH NET CASH MOVEMENT FROM OPERATING</u> <u>ACTIVITIES</u>		
<u>Continuing Activities</u>		
Trading (Loss)/Profit	(1,481)	13,757
Depreciation Charges	10,387	12,707
(Profit) on sale of Fixed Assets	-	(1,062)
Movement in Stocks	(16,000)	-
Movement in Debtors	8,878	(16,803)
Movement in Creditors	769	46,044
	-----	-----
<u>Net cash movement from operating</u> <u>activities</u>	2,553	54,643
	=====	=====

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

Balance at beginning of year	7,296	(10,105)
Net Cash Movement	(5,762)	17,401
	-----	-----
Balance at end of year	1,534	7,296
	=====	=====