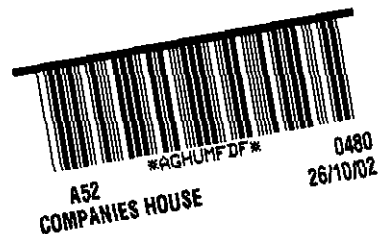


**UNIVERSAL BEDDING & UPHOLSTERY (1998)
LTD**

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2001



unw
Chartered Accountants & Registered Auditors
Henshelwood House
18 Tankerville Terrace
Newcastle upon Tyne
NE2 3AJ

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31 December 2001 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTOR AND THE AUDITORS

The director is responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

U/W

Henshelwood House
18 Tankerville Terrace
Newcastle upon Tyne
NE2 3AJ

unw
Chartered Accountants
& Registered Auditors

23 October 2002

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

ABBREVIATED BALANCE SHEET

31 DECEMBER 2001

	Note	2001 £	2000 £
FIXED ASSETS	2		
Tangible assets		<u>402,394</u>	<u>143,619</u>
CURRENT ASSETS			
Stocks		257,558	255,708
Debtors		174,413	171,351
Cash at bank and in hand		<u>12,902</u>	<u>20,158</u>
		444,873	447,217
CREDITORS: Amounts falling due within one year	3	(365,030)	(458,058)
NET CURRENT ASSETS/(LIABILITIES)		<u>79,843</u>	<u>(10,841)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>482,237</u>	<u>132,778</u>
CREDITORS: Amounts falling due after more than one year	4	(344,893)	(41,400)
GOVERNMENT GRANTS	5	(30,000)	-
		<u>107,344</u>	<u>91,378</u>
CAPITAL AND RESERVES			
Called-up equity share capital	6	42,666	41,666
Share premium account		2,944	1,944
Profit and Loss Account		<u>61,734</u>	<u>47,768</u>
SHAREHOLDERS' FUNDS		<u>107,344</u>	<u>91,378</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved and signed by the director on 23 October 2002


S GRAHAM

The notes on pages 3 to 5 form part of these financial statements.

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the period, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 10% to 33% per annum straight line
Fixtures & Fittings	- 20% per annum straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Deferred government grants

Government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 January 2001	153,064
Additions	282,509
At 31 December 2001	<u>435,573</u>
DEPRECIATION	
At 1 January 2001	9,445
Charge for year	23,734
At 31 December 2001	<u>33,179</u>
NET BOOK VALUE	
At 31 December 2001	<u>402,394</u>
At 31 December 2000	<u>143,619</u>

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2001 £	2000 £
Other loans	<u>99,223</u>	<u>-</u>

4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2001 £	2000 £
Other loans	<u>344,893</u>	<u>-</u>

5. GOVERNMENT GRANTS

	2001 £	2000 £
Received and receivable	45,000	-
Amortisation	(15,000)	-
	<u>30,000</u>	<u>-</u>

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

6. SHARE CAPITAL

Authorised share capital:

	2001 £	2000 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2001 £	2000 £
Ordinary share capital	41,666	41,666
Issue of ordinary shares	<u>1,000</u>	<u>-</u>
	<u>42,666</u>	<u>41,666</u>