

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

UNAUDITED ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2005



A34 *A6K4KK08* 58
COMPANIES HOUSE 27/10/2006

UNW LLP

Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

ABBREVIATED BALANCE SHEET

31 DECEMBER 2005

	Note	2005 £	2004 £
FIXED ASSETS	2		
Tangible assets		<u>286,709</u>	<u>230,953</u>
CURRENT ASSETS			
Stocks		285,848	269,770
Debtors		203,373	66,812
Cash at bank and in hand		<u>176,191</u>	<u>113,827</u>
		665,412	450,409
CREDITORS: Amounts falling due within one year	3	<u>268,856</u>	<u>322,210</u>
NET CURRENT ASSETS		<u>396,556</u>	<u>128,199</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>683,265</u>	<u>359,152</u>
CREDITORS: Amounts falling due after more than one year	4	154,018	13,222
PROVISIONS FOR LIABILITIES AND CHARGES		<u>4,600</u>	<u>4,600</u>
		<u>524,647</u>	<u>341,330</u>
CAPITAL AND RESERVES			
Called-up equity share capital	5	15,499	40,666
Share premium account		4,444	4,444
Other reserves		28,667	3,500
Profit and loss account		<u>476,037</u>	<u>292,720</u>
SHAREHOLDERS' FUNDS		<u>524,647</u>	<u>341,330</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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 financial statements, so far as applicable to the company.

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

These abbreviated accounts were approved by the directors on 26 October 2006 and are signed on their behalf by:

S GRAHAM
Director



The notes on pages 2 to 4 form part of these abbreviated accounts.

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2005

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 January 2005).

The company meets its day-to-day working capital requirements through an asset based lending facility which, in common with all such facilities, is repayable on demand. The company expects to operate within the facilities currently available and those which are expected to be made available in the foreseeable future. On this basis the directors consider it appropriate to prepare the financial statements on the going concern basis.

Turnover

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

Fixed assets

All fixed assets are initially recorded at cost.

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:

Freehold Property	- 2% per annum straight line
Leasehold Property	- Over the life of the lease
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.

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2005

1. ACCOUNTING POLICIES *(continued)*

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

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.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Deferred tax assets are recognised when it is more likely than not that they will be recovered. The company has not adopted a policy of discounting deferred tax assets and liabilities. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2005

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 January 2005	339,040
Additions	214,877
Disposals	<u>(134,055)</u>
At 31 December 2005	<u>419,862</u>
DEPRECIATION	
At 1 January 2005	108,087
Charge for year	<u>25,066</u>
At 31 December 2005	<u>133,153</u>
NET BOOK VALUE	
At 31 December 2005	<u>286,709</u>
At 31 December 2004	<u>230,953</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:

	2005 £	2004 £
Hire purchase agreements	<u>43,000</u>	<u>11,328</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:

	2005 £	2004 £
Hire purchase agreements	<u>154,018</u>	<u>13,222</u>

5. SHARE CAPITAL

Authorised share capital:

	2005 £	2004 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2005 No	£	2004 No	£
Ordinary shares of £1 each	<u>15,499</u>	<u>15,499</u>	<u>40,666</u>	<u>40,666</u>