

COMPANY REGISTRATION NUMBER 3593482

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

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2004**



UNW LLP
Chartered Accountants & Registered Auditors
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

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 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our audit work, for this report, or for the opinions we have formed.

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.



unw LLP
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& Registered Auditors

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27 May 2005

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

ABBREVIATED BALANCE SHEET

31 DECEMBER 2004

	Note	2004 £	2003 £
FIXED ASSETS			
Tangible assets	2	<u>230,953</u>	<u>364,737</u>
CURRENT ASSETS			
Stocks		269,770	209,432
Debtors		66,812	47,713
Cash at bank and in hand		<u>113,827</u>	<u>400</u>
		450,409	257,545
CREDITORS: Amounts falling due within one year	3	<u>322,209</u>	<u>311,200</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>128,200</u>	<u>(53,655)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>359,153</u>	<u>311,082</u>
CREDITORS: Amounts falling due after more than one year	4	13,222	323,033
PROVISIONS FOR LIABILITIES AND CHARGES		<u>4,600</u>	<u>4,600</u>
		<u>341,331</u>	<u>(16,551)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	5	40,666	44,166
Share premium account		4,444	4,444
Other reserves		3,500	-
Profit and loss account		<u>292,721</u>	<u>(65,161)</u>
SHAREHOLDERS' FUNDS/(DEFICIENCY)		<u>341,331</u>	<u>(16,551)</u>

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 27 May 2005 and are signed on their behalf by:


S GRAHAM

The notes on pages 3 to 5 form part of these abbreviated accounts.

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

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 June 2002)*.

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
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.

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.

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

1. ACCOUNTING POLICIES *(continued)*

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.

Deferred government grants

Deferred 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.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 January 2004	456,999
Additions	16,097
Disposals	(134,055)
At 31 December 2004	<u>339,041</u>
DEPRECIATION	
At 1 January 2004	92,262
Charge for year	31,019
On disposals	(15,193)
At 31 December 2004	<u>108,088</u>
NET BOOK VALUE	
At 31 December 2004	<u>230,953</u>
At 31 December 2003	<u>364,737</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:

	2004 £	2003 £
Debenture loans	-	41,657
Hire purchase agreements	11,328	2,835
	<u>11,328</u>	<u>44,492</u>

UNIVERSAL BEDDING & UPHOLSTERY (1998) LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

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:

	2004	2003
	£	£
Debenture loans	-	315,898
Hire purchase agreements	13,222	7,135
	<u>13,222</u>	<u>323,033</u>

Included within creditors falling due after more than one year is an amount of £Nil (2003 - £149,270) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

The loans are repayable by instalments, no interest is repayable on these loans.

5. SHARE CAPITAL

Authorised share capital:

	2004	2003
	£	£
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2004		2003	
	No	£	No	£
Ordinary shares of £1 each	<u>40,666</u>	<u>40,666</u>	<u>44,166</u>	<u>44,166</u>