

BEVAN & BUCKLAND

ASHTON DISTRIBUTORS (CARPETS) LIMITED

REPORT AND FINANCIAL STATEMENTS

28TH FEBRUARY 1997

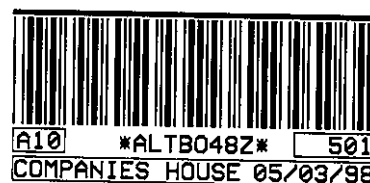
Registered number: 1392694

BEVAN & BUCKLAND

CHARTERED ACCOUNTANTS

REGISTERED AUDITORS

Swansea



BEVAN & BUCKLAND

ASHTON DISTRIBUTORS (CARPETS) LIMITED

FINANCIAL STATEMENTS

for the year ended 28th February 1997

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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ASHTON DISTRIBUTORS (CARPETS) LIMITED

COMPANY INFORMATION

28th February 1997

Number 1392694

CHAIRMAN

M.Walker

SECRETARY

P.Walker

REGISTERED OFFICE

Russell House
31 Russell Street
Swansea
SA1 4HR

BANKERS

National Westminster Bank Plc
Belle Vue Way
Swansea

SOLICITORS

D.Graham Meager & Co
Wind Street
Swansea

ACCOUNTANTS

Bevan & Buckland
Chartered Accountants
Russell House
Russell Street
Swansea
SA1 4HR

ASHTON DISTRIBUTORS (CARPETS) LIMITED**DIRECTORS' REPORT****28th February 1997**

The directors present their report and the financial statements for the year ended 28th February 1997.

Principal activity

The principal activity of the company continued to be that of carpet distribution.

Business review

The company's balance sheet as detailed on page 6 shows a deficiency of shareholders' funds amounting to £7,342.

Results and dividends

The results for the year are shown in the profit and loss account on page 5. The directors do not propose payment of an ordinary dividend.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

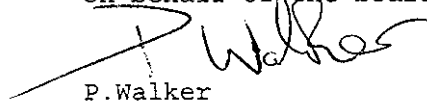
	28th February 1997	1st March 1996
	Ordinary shares	Ordinary shares
M.Walker	2	2

Reporting Accountants

The directors consider that for the year ended 28th February 1997 the company was entitled to exemption from a statutory audit under section 249A of the Companies Act 1985. Under the provisions of the Act, the directors have appointed Bevan & Buckland as Reporting Accountants.

Their report is shown on page 3 of the financial statements.

On behalf of the board



P.Walker
Secretary

27/2/98

Russell House
31 Russell Street
Swansea
SA1 4HR

Accountants' report to the members
on the unaudited financial statements of
Ashton Distributors (Carpets) Limited

We report on the financial statements for the year ended 28th February 1997 set out on pages 4 to 9.

Respective responsibilities of directors and reporting accountants

As described on page 5 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.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements 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 purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements 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 financial statements 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 financial statements for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

Bevan & Buckland.

Swansea

Bevan & Buckland
Reporting Accountants

27th February 1998

ASHTON DISTRIBUTORS (CARPETS) LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 28th February 1997

	Note	1997 £	1996 £
Turnover		209,639	158,488
Cost of sales		(147,361)	(91,259)
Gross profit		62,278	67,229
Net operating expenses			
Administrative expenses		(56,038)	(54,936)
Other operating income		11	13
Operating profit	2	6,251	12,306
Interest payable	4	(3,150)	(2,910)
Profit on ordinary activities before taxation		3,101	9,396
Taxation	5	(3)	-
Retained profit/(loss) for the period 12		3,098	9,396

Movements in reserves are shown in note 12.

None of the company's activities was acquired or discontinued during the above two financial periods.

There are no recognised gains and losses in 1997 or 1996 other than the profit for the year.

ASHTON DISTRIBUTORS (CARPETS) LIMITED

BALANCE SHEET

at 28th February 1997

	Note	1997 £	1996 £
Fixed assets			
Tangible assets	6	2,902	3,442
Current assets			
Stocks	7	40,000	42,000
Debtors	8	10,030	5,268
Cash at bank and in hand		155	573
		<u>50,185</u>	<u>47,841</u>
Creditors: amounts falling due within one year	9	(60,429)	(61,723)
Net current liabilities		<u>(10,244)</u>	<u>(13,882)</u>
Total assets less current liabilities		<u>(7,342)</u>	<u>(10,440)</u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account	12	(7,344)	(10,442)
Total shareholders' funds	10	<u>(7,342)</u>	<u>(10,440)</u>

continued

ASHTON DISTRIBUTORS (CARPETS) LIMITED

BALANCE SHEET (continued)

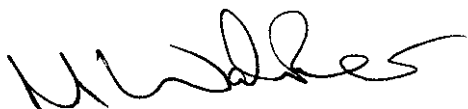
at 28th February 1997

The directors consider that for the year ended 28th February 1997 the company was entitled to exemption under subsection 2 of section 249A of the Companies Act 1985. No member or members have deposited a notice requesting an audit for the current financial year under subsection 2 of section 249B of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and 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.

The financial statements on pages 4 to 9 were approved by the board of directors on 26/2/98 and signed on its behalf by:

M. Walker
Chairman



ASHTON DISTRIBUTORS (CARPETS) LIMITED

NOTES ON FINANCIAL STATEMENTS

28th February 1997

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Plant and machinery	20% reducing balance
Motor vehicles	25% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions**Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Repairs and renewals

Repairs and renewals expenditure is written off in the accounting period in which the expenditure is incurred.

2 Operating profit

	1997 £	1996 £
Operating profit is stated after crediting		
Interest receivable	11	13
and after charging		
Staff costs (note 3)	17,365	18,332
Operating leases		
Hire of plant and machinery	421	732
Depreciation of tangible fixed assets (note 6)		
owned assets	765	913

ASHTON DISTRIBUTORS (CARPETS) LIMITED

NOTES ON FINANCIAL STATEMENTS

28th February 1997

3 Directors

	1996 £	1995 £
Directors' emoluments	<u>6,972</u>	<u>9,616</u>

Pension costs

Defined contribution scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £420 (1995 £560).

4 Interest payable

	1997 £	1996 £
Bank interest	3,150	2,864
Hire purchase interest	-	46
	<u>3,150</u>	<u>2,910</u>

5 Taxation

	1997 £	1996 £
Corporation tax on profit on ordinary activities at 24% (1996 25%)	<u>3</u>	<u>-</u>

ASHTON DISTRIBUTORS (CARPETS) LIMITED

NOTES ON FINANCIAL STATEMENTS

28th February 1997

6 Tangible fixed assets

Cost	Motor Vehicles £	Plant and Machinery £	Total £
1st March 1996	4,000	5,521	9,521
Additions	-	225	225
28th February 1997	4,000	5,746	9,746
Depreciation			
1st March 1996	3,367	2,712	6,079
Charge for year	158	607	765
28th February 1997	3,525	3,319	6,844
Net book amount			
28th February 1997	475	2,427	2,902
1st March 1996	633	2,809	3,442

7 Stocks

	1997 £	1996 £
Goods for resale	40,000	42,000
	40,000	42,000

8 Debtors

	1997 £	1996 £
Amounts falling due within one year		
Trade debtors	8,702	5,213
Other debtors	55	55
Prepayments and accrued income	1,273	-
	10,030	5,268

ASHTON DISTRIBUTORS (CARPETS) LIMITED

NOTES ON FINANCIAL STATEMENTS

28th February 1997

9 Creditors: amounts falling due within one year

	1997 £	1996 £
Other loans	8,780	9,280
Bank overdraft	3,374	28,201
Trade creditors	17,671	13,013
Other creditors	30,604	11,229
	<u>60,429</u>	<u>61,723</u>

10 Reconciliation of movements in shareholders' funds

	1997 £	1996 £
Profit for the financial year representing a Net addition to shareholders' funds	3,098	9,396
Opening shareholders' funds	<u>(10,440)</u>	<u>(19,836)</u>
Closing shareholders' funds	<u>(7,342)</u>	<u>(10,440)</u>

11 Called up share capital

	1997		1996	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

12 Profit and loss account

	1997 £
1st March 1996	(10,443)
Retained profit for the year	<u>3,098</u>
28th February 1997	<u>(7,345)</u>