

**Registration No: 2045353**

**COOKING VINYL LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 1998**



**NEWMAN & COMPANY**  
**Chartered Accountants**

**COOKING VINYL LIMITED**

**FINANCIAL STATEMENTS**

**31 DECEMBER 1998**

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**COOKING VINYL LIMITED**

**COMPANY INFORMATION**

**DIRECTOR:** M GOLDSCHMIDT

**SECRETARY:** S C M JOSEPH

**REGISTERED OFFICE:** REGENT HOUSE  
1 PRATT MEWS  
LONDON NW1 0AD

**AUDITORS:** NEWMAN & COMPANY  
CHARTERED ACCOUNTANTS  
REGENT HOUSE  
1 PRATT MEWS  
LONDON NW1 0AD

# **COOKING VINYL LIMITED**

## **REPORT OF THE DIRECTOR**

The director presents his report and the financial statements for the year ended 31 December 1998.

### **PRINCIPAL ACTIVITIES**

The principal activities of the company are record production and distribution.

### **REVIEW OF THE BUSINESS**

The director is pleased with the company's results for the year, and confident that the results for the forthcoming year will continue to improve.

In 1998 the company had successfully achieved a move of premises to a superior location with a long lease, developed a promotional web-site (with E commerce coming on-line in 1999), and upgraded it's communication systems. All these will benefit the business in the long term.

### **YEAR 2000**

The director has considered in detail the potential effects of the year 2000 as it relates to the computers and automated machinery used by this company in all aspects of it's business. This review has included computer hardware and software programmes.

The director believes that he has taken all necessary action to ensure the relevant assets will be fully millennium compliant. The costs of the above compliances have been properly accounted for in the financial statements.

### **RESULTS AND DIVIDEND**

The results for the year are set out in the profit and loss account. The director does not recommend the payment of a dividend.

### **FIXED ASSETS**

Details of changes in the fixed assets are shown in note 6 to the attached financial statements.

### **DIRECTOR**

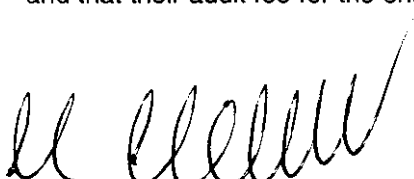
The director who served during the year and his interests in the ordinary shares of the company both at the beginning and end of the year was as follows:

M GOLDSCHMIDT

100

### **AUDITORS**

A resolution will be submitted at the annual general meeting proposing that Newman & Company be reappointed auditors and that their audit fee for the ensuing year be agreed with the director.



**BY ORDER OF THE BOARD**

**M GOLDSCHMIDT**

**CHAIRMAN**

29 July 1999

# REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF

## COOKING VINYL LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out in note 2.

### Respective Responsibilities of Directors and Auditors

As described in note 1 the company's director is 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 director 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 misstatement, 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.

### Fundamental Uncertainty

In forming our opinion we have considered the level of support given by the company's director and creditors. As stated in note 2 the financial statements have been prepared on a going concern basis which assumes that level of support to continue. The continuation of the company's activities is ultimately dependent on its future profitable trading. The financial statements do not include any adjustments that would result in the company being unable to continue trading. Our opinion is not qualified in this respect.

### Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the company as at 31 December 1998, and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



NEWMAN & COMPANY

CHARTERED ACCOUNTANTS AND  
REGISTERED AUDITORS

Regent House  
1 Pratt Mews  
London NW1 0AD

29 July 1999

COOKING VINYL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1998

	Note	1998 £	1997 £
TURNOVER - CONTINUING OPERATIONS		1,089,969	1,038,216
COST OF SALES		736,835	818,743
GROSS PROFIT		<u>353,134</u>	<u>219,473</u>
OPERATING EXPENSES		334,294	309,401
OPERATING PROFIT/(LOSS)	3	<u>18,840</u>	<u>( 89,928)</u>
INTEREST PAYABLE & SIMILAR CHARGES	4	4,871	5,367
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>13,969</u>	<u>( 95,295)</u>
TAXATION	5	-	( 1,389)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		<u>13,969</u>	<u>( 93,906)</u>
RETAINED (LOSS)/PROFIT BROUGHT FORWARD		( 80,249)	13,657
ACCUMULATED (LOSS) CARRIED FORWARD		<u>( 66,280)</u>	<u>( 80,249)</u>

**COOKING VINYL LIMITED**

**BALANCE SHEET**

**AS AT 31 DECEMBER 1998**

	Note	1998	1997
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	6	24,647	17,601
<b>CURRENT ASSETS</b>			
Stock	7	113,939	137,826
Debtors	8	346,956	190,398
Cash at bank		51	474
		<hr/>	<hr/>
		460,946	328,698
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	9	551,773	426,448
		<hr/>	<hr/>
<b>NET CURRENT (LIABILITIES)</b>		( 90,827)	( 97,750)
		<hr/>	<hr/>
		( 66,180)	( 80,149)
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	100	100
Profit and loss account		( 66,280)	( 80,249)
		<hr/>	<hr/>
<b>SHAREHOLDERS FUNDS - (DEFICIT)</b>		( 66,180)	( 80,149)
		<hr/>	<hr/>



**M GOLDSCHMIDT** ) DIRECTOR

Approved by the board on  
29 July 1999

**COOKING VINYL LIMITED**

**OTHER STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 1998**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

	1998	1997
	£	£
Profit/(loss) for the financial year	13,969	(93,906)
Total recognised gains/(losses) for the year	<u>13,969</u>	<u>(93,906)</u>

**NOTE OF HISTORICAL COST PROFIT AND LOSSES**

There is no material difference between the reported profit/(loss) for 1998 and 1997 and the profit/(loss) for those years restated on an historical cost basis.

**RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS**

Profit/(loss) for the financial year	13,969	(93,906)
Opening shareholders funds - (deficit)/surplus	(80,149)	13,757
Closing shareholders funds - (deficit)	<u>(66,180)</u>	<u>(80,149)</u>



# COOKING VINYL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1998

### 1. STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements the director is required to:

- (i) select suitable accounting policies and then apply them consistently;
- (ii) make judgements and estimates that are reasonable and prudent;
- (iii) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable the director to ensure that the financial statements comply with the Companies Act 1985. The director is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### 2. ACCOUNTING POLICIES

#### (a) Convention

The financial statements are prepared in accordance with the historical cost convention and in accordance with applicable accounting standards, and on a going concern basis, the validity of which is dependent on the continuing support of the company's director and creditors.

As the company falls within the definition of a 'small company', it is not required to provide a cash flow statement.

#### (b) Depreciation

Depreciation is provided on the reducing balance method in order to write off the assets over their estimated useful lives at the following rates:

Furniture, fixtures & equipment	-	25% reducing balance
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#### (c) Stocks

Stocks are stated at the lower of cost and net realisable value.

#### (d) Turnover

Turnover represents invoiced sales excluding value added tax.

### 3. OPERATING PROFIT/(LOSS)

	1998	1997
	£	£
After charging:		
Depreciation	5,373	5,868
Auditors remuneration	4,500	4,500
Director's remuneration	38,792	39,144
	<hr/>	<hr/>

**COOKING VINYL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 1998**

<b>4. INTEREST PAYABLE &amp; SIMILAR CHARGES</b>	<b>1998</b>	<b>1997</b>
	£	£
Interest on bank loans & overdrafts wholly repayable within five years	2,832	1,216
Other interest	2,039	4,151
	<hr/> 4,871	<hr/> 5,367
	<hr/>	<hr/>
 <b>5. TAXATION</b>		
Corporation tax payable	-	-
Overprovision in previous year	-	( 1,389)
	<hr/> -	<hr/> ( 1,389)
	<hr/>	<hr/>
 <b>6. TANGIBLE ASSETS</b>	<b>Furniture, Fixtures and Equipment</b>	<b>Total</b>
	£	£
<b>COST</b>		
At 1 January 1998	49,328	49,328
Additions	12,419	12,419
	<hr/> 61,747	<hr/> 61,747
<b>AT 31 December 1998</b>	<hr/>	<hr/>
<b>DEPRECIATION</b>		
At 1 January 1998	31,727	31,727
Charge for the year	5,373	5,373
	<hr/> 37,100	<hr/> 37,100
<b>AT 31 December 1998</b>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>		
AT 31 December 1998	24,647	24,647
	<hr/>	<hr/>
AT 31 December 1997	17,601	17,601
	<hr/>	<hr/>
 <b>7. STOCK</b>	<b>1998</b>	<b>1997</b>
	£	£
Finished goods & goods for resale	113,939	137,826
	<hr/>	<hr/>

**COOKING VINYL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 1998**

<b>8. DEBTORS</b>	1998	1997
	£	£
Trade debtors	273,386	66,912
Other debtors	25,735	13,542
Prepayments	47,835	109,944
	<hr/>	<hr/>
	346,956	190,398
	<hr/>	<hr/>

**9. CREDITORS: AMOUNTS FALLING DUE  
WITHIN ONE YEAR**

Bank overdraft	31,531	35,296
Trade creditors	409,743	305,281
Other taxation & social security	39,747	48,869
Other creditors	70,152	30,942
Accruals	600	6,060
	<hr/>	<hr/>
	551,773	426,448
	<hr/>	<hr/>

The bank overdraft was secured by a mortgage debenture over the company's fixed and floating assets.

**10. CALLED UP SHARE CAPITAL**

Authorised, Issued and Fully Paid:		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>

**11. EMPLOYEE INFORMATION**

The average number of persons employed by the company including director during the year was 10 (1997: 8).

Their total remuneration was:

Wages & salaries	173,332	139,858
Social security costs	15,606	11,801
	<hr/>	<hr/>
	188,938	151,659
	<hr/>	<hr/>

**12. RELATED PARTY TRANSACTIONS**

The company paid M Goldschmidt £10,500 for office rent and rent deposit during the year.