

Registration No: 2045353

COOKING VINYL LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 1997



NEWMAN & COMPANY
Chartered Accountants

COOKING VINYL LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 1997

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COOKING VINYL LIMITED

COMPANY INFORMATION

DIRECTOR:

M GOLDSCHMIDT

SECRETARY:

R G K HODGSON (RESIGNED 20.3.98)
S C M JOSEPH (APPOINTED 26.3.98)

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 1997.

PRINCIPAL ACTIVITIES

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

REVIEW OF THE BUSINESS

The director is disappointed with the company's results for the year, but confident that the results for the forthcoming year will be improved.

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 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

5 October 1998

**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 1997, and of its loss 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

5 October 1998

COOKING VINYL LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1997

	Note	1997 £	1996 £
TURNOVER - CONTINUING OPERATIONS		1,038,216	1,209,465
COST OF SALES		818,743	829,757
GROSS PROFIT		<u>219,473</u>	<u>379,708</u>
OPERATING EXPENSES		309,401	376,218
OPERATING (LOSS)/PROFIT	3	<u>(89,928)</u>	<u>3,490</u>
INTEREST PAYABLE & SIMILAR CHARGES	4	5,367	40
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(95,295)</u>	<u>3,450</u>
TAXATION	5	<u>(1,389)</u>	<u>458</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(93,906)</u>	<u>2,992</u>
RETAINED PROFIT BROUGHT FORWARD		13,657	10,665
ACCUMULATED (LOSS)/RETAINED PROFIT CARRIED FORWARD		<u>(80,249)</u>	<u>13,657</u>

COOKING VINYL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 1997

	Note	1997 £	1996 £
FIXED ASSETS			
Tangible assets	6	17,601	15,244
CURRENT ASSETS			
Stock	7	137,826	94,986
Debtors	8	190,398	282,598
Cash at bank		474	494
		<u>328,698</u>	<u>378,078</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	426,448	379,565
NET CURRENT (LIABILITIES)		(97,750)	(1,487)
		<u>(80,149)</u>	<u>13,757</u>
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account		(80,249)	13,657
SHAREHOLDERS FUNDS - (DEFICIT)/SURPLUS		<u>(80,149)</u>	<u>13,757</u>



M GOLDSCHMIDT) DIRECTOR

Approved by the board on
5 October 1998

COOKING VINYL LIMITED

OTHER STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	1997 £	1996 £
(Loss)/profit for the financial year	(93,906)	2,992
Total recognised (losses)/gains for the year	<u>(93,906)</u>	<u>2,992</u>

NOTE OF HISTORICAL COST PROFIT AND LOSSES

There is no material difference between the reported (loss)/profit for 1997 and 1996 and the (loss)/profit for those years restated on an historical cost basis.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

(Loss)/profit for the financial year	(93,906)	2,992
Opening shareholders funds	13,757	10,765
Closing shareholders funds - (deficit)/surplus	<u>(80,149)</u>	<u>13,757</u>

COOKING VINYL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997

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

	1997	1996
	£	£
After charging:		
Depreciation	5,868	5,081
Auditors remuneration	4,500	5,000
Director's remuneration	39,144	37,931
	<hr/>	<hr/>

COOKING VINYL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997

4. INTEREST PAYABLE & SIMILAR CHARGES	1997	1996
	£	£
Interest on bank loans & overdrafts wholly repayable within five years	1,216	40
Other interest	4,151	-
	<hr/> 5,367	<hr/> 40
5. TAXATION		
Corporation tax payable	-	1,389
Overprovision in previous year	(1,389)	(931)
	<hr/> (1,389)	<hr/> 458
6. TANGIBLE ASSETS	Furniture, Fixtures and Equipment	
	£	
COST		
At 1 January 1997	41,103	
Additions	8,225	
AT 31 December 1997	<hr/> 49,328	
DEPRECIATION		
At 1 January 1997	25,859	
Charge for the year	5,868	
AT 31 December 1997	<hr/> 31,727	
NET BOOK VALUE		
AT 31 December 1997	<hr/> 17,601	
AT 31 December 1996	<hr/> 15,244	
7. STOCK	1997	1996
	£	£
Finished goods & goods for resale	137,826	94,986
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COOKING VINYL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1997

8. DEBTORS	1997	1996
	£	£
Trade debtors	66,912	162,767
Other debtors	13,542	20,374
Prepayments	109,944	99,457
	<u>190,398</u>	<u>282,598</u>

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

Bank overdrafts	35,296	4,492
Trade creditors	305,281	239,924
Corporation tax	-	1,389
Other taxation & social security	48,869	15,371
Other creditors	30,942	43,913
Accruals	6,060	74,476
	<u>426,448</u>	<u>379,565</u>

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
	<u>100</u>	<u>100</u>

11. EMPLOYEE INFORMATION

The average number of persons employed by the company including director during the year was 8 (1996: 6).

Their total remuneration was:

Wages & salaries	139,858	100,719
Social security costs	11,801	9,487
	<u>151,659</u>	<u>110,206</u>