

Company Number: 2090112
(England and Wales)

R K FURNITURE LIMITED
ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2006



R K FURNITURE LIMITED

Year ended 30 April 2006

COMPANY INFORMATION

DIRECTORS:	R G Kraemer Esq Mrs J L K Kraemer
SECRETARY:	Mrs J L K Kraemer
COMPANY NUMBER:	2090112
REGISTERED OFFICE	The Airfield Tholthorpe York YO6 3JR
AUDITORS:	Hardcastle France Chartered Accountants 30 Yorkersgate Malton YO17 7AW
PRINCIPAL BANKERS:	Barclays Bank plc Easingwold Branch Chapel Street Easingwold York YO6 3AE

R K FURNITURE LIMITED

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for the year ended 30 April 2006

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R K FURNITURE LIMITED

REPORT OF THE DIRECTORS
for the year ended 30 April 2006

The directors present their report with the financial statements for the year ended 30 April 2006.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company's principal activity during the year was that of manufacturers of office furniture. The activity and profits are in line with the expectation of the directors. It is hoped that the expansion of the company's levels of trading and profitability will continue during the coming year.

RESULTS AND DIVIDENDS

The results for the year are set out on page 4.

The directors have proposed a dividend amounting to £580,000 (2005: £460,000).

It is proposed that the deficit of £106,773 (2005: £28,598) be subtracted from reserves.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the company were as stated below:-

<u>Name</u>	<u>Class of share</u>	<u>Number of shares</u>	
		<u>30/04/06</u>	<u>01/05/05</u>
R G Kraemer Esq	Ordinary shares of £1 each	1,000	1,000
Mrs J L K Kraemer	Ordinary shares of £1 each	1,000	1,000

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing Hardcastle France, Chartered Accountants, be reappointed as auditors of the company will be put to the Annual General Meeting.

R K FURNITURE LIMITED

REPORT OF THE DIRECTORS
for the year ended 30 April 2006 - (Continued)

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors 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 directors are required to:-


- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information [as defined by Section 234ZA(2) of the Companies Act 1985] of which the company's auditors are unaware and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

BY ORDER OF THE BOARD


.....
Mrs J L K Kraemer – Secretary

Dated: 31 October 2006

R K FURNITURE LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
R K FURNITURE LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages four to fifteen, together with the financial statements of R K Furniture Limited for the year ended 30 April 2006 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 work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

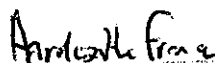
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

Opinion

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Hardcastle France
Registered Auditors
Chartered Accountants
Malton

11 December 2006

R K FURNITURE LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 30 April 2006

			<u>2005</u>
	<u>Notes</u>	£	£
GROSS PROFIT		1,952,785	1,962,493
DISTRIBUTION COSTS		(304,049)	(242,976)
ADMINISTRATIVE EXPENSES		(967,127)	(1,072,958)
		-----	-----
OPERATING PROFIT	4	681,609	646,559
OTHER INTEREST RECEIVABLE AND SIMILAR INCOME	5	2,410	324
INTEREST PAYABLE AND SIMILAR CHARGES	6	(14,611)	(14,567)
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		669,408	632,316
TAX ON PROFIT ON ORDINARY ACTIVITIES	7	(196,181)	(200,914)
		-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>473,227</u>	<u>431,402</u>

The notes on pages 9 to 15 form part of these financial statements

R K FURNITURE LIMITED
ABBREVIATED BALANCE SHEET
As at 30 April 2006

			<u>2005</u>
	<u>Notes</u>	£	£
<u>FIXED ASSETS</u>			
Tangible assets	10	457,298	565,714

<u>CURRENT ASSETS</u>			
Stocks	11	955,839	914,662
Debtors	12	2,011,903	2,124,032
Cash at bank and in hand		54,225	4,449
		-----	-----
		3,021,967	3,043,143
<u>CREDITORS: Amounts falling due within one year</u>	13	(2,636,856)	(2,659,675)
		-----	-----
<u>NET CURRENT ASSETS</u>		385,111	383,468
		-----	-----
<u>TOTAL ASSETS LESS</u>			
<u>CURRENT ASSETS/LIABILITIES</u>		842,409	949,182
		-----	-----
		842,409	949,182
		=====	=====
<u>CAPITAL AND RESERVES</u>			
Called up share capital	14	2,000	2,000
Profit and loss account	15	840,409	947,182
		-----	-----
<u>SHAREHOLDERS' FUNDS</u>		842,409	949,182
		=====	=====

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium sized Companies.

.....

R G K Kraemer Esq – Director

Date: 2 November 2006

The notes on pages 9 to 15 form part of these financial statements

R K FURNITURE LIMITED

CASH FLOW STATEMENT
For the year ended 30 April 2006

	<u>2005</u>	
	£	£
Net cash inflow from operating activities	1,214,920	438,092
Returns on investments and servicing of finance		
Interest received	2,410	324
Interest paid	(14,611)	(14,567)
	(12,201)	(14,243)
Taxation		
Corporation tax paid	(200,914)	(106,485)
Capital expenditure		
Payments to acquire tangible fixed assets	(127,332)	(172,869)
Receipts from sales of tangible fixed assets	70,650	15,000
	(56,682)	(157,869)
	945,123	159,495
Equity dividend paid	(1,040,000)	-
Net cash (outflow)/inflow before financing	(94,877)	159,495
Financing	597,698	(227,340)
Increase/(decrease) in cash	502,821	(67,845)

R K FURNITURE LIMITED

NOTES TO THE CASH FLOW STATEMENT
For the year ended 30 April 2006

	<u>2006</u>	<u>2005</u>
	£	£
Reconciliation of operating profit to net cash inflow from operating activities		
Operating profit	681,609	646,559
Depreciation charges	158,106	227,222
Loss/(Profit) on disposal of tangible assets	6,992	(3,643)
Increase in stocks	(41,176)	(214,371)
Decrease/(Increase) in debtors	112,129	(303,582)
Increase in creditors	297,260	85,907
	<u>1,214,920</u>	<u>438,092</u>

Analysis of changes in net debt

	<u>At 01/05/05</u>	<u>Cash flows</u>	<u>Other changes</u>	<u>At 30/04/06</u>
Cash in hand at bank	4,449	49,776	-	54,225
Bank overdrafts	(52,085)	(18,491)	-	(70,576)
Debt due within one year	(731,911)	471,535	-	(260,376)
Debt due more than one year	-	-	-	-
	<u>(779,547)</u>	<u>502,820</u>	<u>-</u>	<u>(276,727)</u>

	<u>2006</u>	<u>2005</u>
	£	£
Reconciliation of net cash flow to movement in debt		
Increase/(decrease) in cash in the period	502,820	(67,845)
Cash to repay lease financing	-	-
Loan repayments	-	-
	<u>502,820</u>	<u>(67,845)</u>
Net debt 1 May 2005	<u>(779,547)</u>	<u>(711,702)</u>
Net debt at 30 April 2006	<u>(276,727)</u>	<u>(779,547)</u>

R K FURNITURE LIMITED

NOTES TO THE CASH FLOW STATEMENT

For the year ended 30 April 2006 (Continued)

	<u>2006</u>	<u>2005</u>
	£	£
<u>Gross Cash Flows</u>		
<u>Returns of investments and servicing of finance</u>		
Interest paid including interest on finance lease and hire purchase rental payments	(14,611)	(14,567)
	-----	-----
<u>Investing Activities</u>		
Payments to acquire tangible fixed assets excluding those on finance leases and hire purchase contracts	(127,332)	(172,869)
Receipts from sales of tangible fixed assets	70,650	15,000
	-----	-----
	(56,682)	(159,869)
	=====	=====
<u>Financing</u>		
Amount introduced by directors	1,040,000	36,857
Amount withdrawn by directors	(442,302)	(264,197)
	-----	-----
	597,698	(227,340)
	=====	=====

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2006

1. ACCOUNTING POLICIES

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the directors' report, all of which are continuing.

1.2 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its estimated useful life as follows:

Building improvements	20%	Straight line
Plant and machinery	25%	Reducing balance
Fixtures and fittings	25%	Straight line
Motor vehicles	25%	Reducing balance

1.3 Operating leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.4 Stock

Stock is valued at the lower of cost or net realisable value.

1.5 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year. The scheme is a defined contribution scheme and the assets are held separate from those of the company.

1.6 Deferred taxation

Deferred taxation is the timing difference between depreciation charged in the accounts and capital allowances claimed at the current corporation tax rate. No provision for deferred tax has been made as the provision is not considered to be material.

1.7 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. At the year end liabilities and monetary assets denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Any material gain or loss arising on the restatement of such balances is taken to the Profit and Loss Account.

2. TURNOVER

Turnover represents amounts invoiced by the company in respect of work done during the year, excluding value added tax and trade discounts. Overseas turnover amounted to 6% (2005: 7%) of the total turnover for the year.

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2006

3. OTHER OPERATING INCOME

	<u>2006</u>	<u>2005</u>
	£	£
Rents receivable	26,484	9,392
Exchange rate gains	-	4
	<u>26,484</u>	<u>9,396</u>

4. OPERATING PROFIT

The operating profit is stated after charging:-

Depreciation of owned tangible fixed assets	158,106	227,222
Loss/(Profit) on disposals of owned tangible fixed assets	6,992	(3,643)
Operating lease rentals:		
- Plant and machinery	541	1,077
- land and buildings	316,001	274,236
Auditors' fees - audit	8,100	5,700
- other services	300	400
Directors' emoluments and other benefits etc	43,187	60,867
Directors' pension premiums	1,821	2,787
	<u>158,106</u>	<u>227,222</u>

5. OTHER INTEREST RECEIVABLE
AND SIMILAR INCOME

Bank interest receivable	2,251	324
Other interest receivable	159	-
	<u>2,410</u>	<u>324</u>

6. INTEREST PAYABLE AND
SIMILAR CHARGES

Bank loans and overdrafts	262	2,369
Other loans wholly repayable within five years	14,349	12,198
	<u>14,611</u>	<u>14,567</u>

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2006

7. TAXATION

The provision for corporation tax has been computed by applying applicable rates of UK corporation tax throughout the financial year to the taxable profits earned. Applicable rates of tax being 27.1% (2005: 31.8%)

9. DIVIDENDS

	<u>2006</u>	<u>2005</u>
	£	£
Total equity dividends proposed	-	460,000
Total equity dividends proposed and paid in the year	580,000	-
	<u>580,000</u>	<u>460,000</u>

10. TANGIBLE ASSETS

	<u>Building improvements</u>	<u>Plant & machinery</u>	<u>Fixtures & Fittings</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£	£	£
<u>COST</u>					
At 1 May 2005	94,042	885,733	141,050	332,722	1,453,547
Additions	-	7,220	30,678	89,434	127,332
Disposals in the year	-	-	(19,103)	(131,080)	(150,183)
At 30 April 2006	<u>94,042</u>	<u>892,953</u>	<u>152,625</u>	<u>291,076</u>	<u>1,430,696</u>
<u>DEPRECIATION</u>					
At 1 May 2005	73,556	501,122	132,484	180,671	887,833
Charge for year	5,122	97,953	13,167	41,864	158,106
Eliminated on disposal	-	-	(19,103)	(53,438)	(72,541)
At 30 April 2006	<u>78,678</u>	<u>599,075</u>	<u>126,548</u>	<u>169,097</u>	<u>973,398</u>
<u>NET BOOK VALUES</u>					
At 30 April 2006	<u>15,364</u>	<u>293,878</u>	<u>26,077</u>	<u>121,979</u>	<u>457,298</u>
At 30 April 2005	<u>20,486</u>	<u>384,611</u>	<u>8,566</u>	<u>152,051</u>	<u>565,714</u>

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2006

11. STOCKS

	<u>2006</u>	<u>2005</u>
	£	£
Raw materials	689,378	660,414
Finished goods	266,461	254,248
	<u>955,839</u>	<u>914,662</u>

12. DEBTORS

Trade debtors	1,892,355	1,972,215
Prepayments and accrued income	119,548	151,817
	<u>2,011,903</u>	<u>2,124,032</u>

13. CREDITORS: Amounts falling due within one year

Bank loans and overdrafts (secured)	70,576	52,085
Other loans (secured)	260,376	731,911
Trade creditors	891,468	882,109
Corporation tax	196,181	200,914
Other taxes and social security costs	117,368	69,525
Proposed dividend	-	460,000
Other creditors	781,944	184,731
Accruals and deferred income	318,943	78,400
	<u>2,636,856</u>	<u>2,659,675</u>

The other loans represent advances by an invoice discounter and are secured on the book debts of the company assigned to them of £1,913,644 (2005: £1,965,039) duly included in trade debtors at the Balance Sheet date.

Other creditors include accrued discounts payable at 30 April 2006 totalling £284,568 (2006: £50,630).

14. SHARE CAPITAL

Authorised		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
2,000 Ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2006

15. PROFIT AND LOSS ACCOUNT

	£
Retained profits brought forward	947,182
Profit for the financial year after taxation	473,227
Dividends paid	(580,000)
	<u>-----</u>
Retained profit carried forward	<u>840,409</u>

16. PENSION COMMITMENTS

The company operates pension arrangements for the benefit of the directors and senior employees which are in the nature of a defined contribution scheme.

The charge to the Profit and Loss Account in the year was:

	<u>2006</u>	<u>2005</u>
	£	£
	<u>1,821</u>	<u>2,787</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2005: 2).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	24,636	33,454
Company pension contribution to money purchase schemes	<u>1,821</u>	<u>2,787</u>

17. FINANCIAL COMMITMENTS

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 30 April 2006:

	<i>Land and buildings</i>		<i>Other</i>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
	£	£	£	£
<i>Expiry date:</i>				
Within one year	49,516	103,776	71,814	37,049
Between two and five years	9,368	103,776	151,751	28,312
In over five years	-	35,000	1,661	-
	<u>-----</u>			
	<u>58,884</u>	<u>242,552</u>	<u>225,226</u>	<u>65,361</u>

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2006

18. EMPLOYEES

Number of employees

The average monthly number of employees
(including directors) during the year was:

	<u>2006</u> <u>Number</u>	<u>2005</u> <u>Number</u>
	73	72
	<u>73</u>	<u>72</u>
Sales	4	4
Office and administration	8	8
Production	61	60
	<u>73</u>	<u>72</u>

Employment costs

	<u>£</u>	<u>£</u>
Wages and salaries	1,488,267	1,427,317
Social security costs	146,020	128,284
Pension costs	1,821	2,787
	<u>1,636,108</u>	<u>1,558,388</u>

R K FURNITURE LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 30 April 2006

19. RELATED PARTY TRANSACTIONS

Up until 31 August 2005, the company let premises from Lilac Properties, a partnership owned 100% by R G Kraemer Esq and Mrs J L K Kraemer, directors and shareholders of the company. The property was let at market value in the normal course of business. The rent paid on a monthly basis until 31 August 2005 totalled £26,268 (2005 (full year):£78,804), excluding VAT.

During the financial year, the property let from Lilac Properties was transferred into the Kraemer Family Discretionary Trust, a Trust of which R G Kraemer Esq and Mrs J L K Kraemer are trustees. The property was let at market value in the normal course of business. The total paid on a monthly basis from 1 September 2005 totalled £66,667 (2005: £Nil) excluding VAT.

Advertising costs during the financial year include payments totalling £20,000 (2005: £52,764) to RK Motor Sport, a business owned solely by R G Kraemer Esq.

Other creditors include £781,480 (2005: £166,157), being the balance of R G Kraemer Esq and Mrs J L K Kraemer's loan account to the company. At no stage during the year was the account overdrawn. No interest has been charged to the company on the loan.

20. ULTIMATE CONTROLLING PARTIES

There is no ultimate controlling party by virtue of R G Kraemer Esq and Mrs J L K Kraemer's shareholdings.

21. CAPITAL COMMITMENTS

The company had nil capital commitments at the Balance Sheet date (2005: £Nil).

22. CONTINGENT LIABILITIES

The company had nil (2005: Nil) contingent liabilities at the Balance Sheet date.