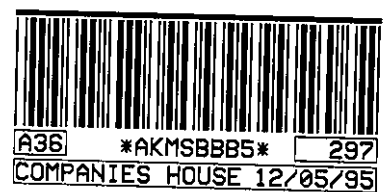


CHASE ERWIN LIMITED

REPORT AND ACCOUNTS

YEAR ENDED 31ST JULY 1994

Company Registration Number: 2094350



CHASE ERWIN LIMITED
REPORT AND ACCOUNTS
YEAR ENDED 31ST JULY 1994

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CHASE ERWIN LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST JULY 1994

The Directors present their report to the members, together with the Annual Accounts for the year ended 31st July 1994.

Principal Activity

The principal activity of the company, which is unchanged since last year, is the import and export of products for use in interior design.

Directors

The directors of the company and their interests in shares of the company are set out below. There were no changes in the composition of the Board of Directors during the year.

	Ordinary Shares of £1 Each	
	31.07.94	31.07.93
Mrs R Erwin	500	500
Mr A Erwin	500	500

Directors' Responsibility for the Financial Statements

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 apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

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.

Auditors

A resolution to re-appoint the auditors, Munslow Messias will be proposed at the Annual General Meeting.

The directors have taken advantage, in the preparation of their report, of the exemptions applicable to small companies.

Approved by the Board of Directors on 1st March 1995 and signed on their behalf by:-


Mrs R Erwin - Secretary

AUDITORS' REPORT
TO THE MEMBERS OF CHASE ERWIN LIMITED

We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective Responsibilities of Directors and Auditors

As described on page 1 the company's directors are 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.

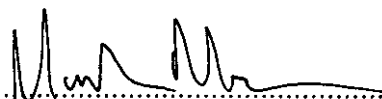
Basis of Opinion

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 judgments made by the directors in the preparation of the financial statements, and 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 mis-statement, 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st July 1994 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



MUNSLOW MESSIAS
Registered Auditors
1st Floor, Tennyson House
159 Great Portland Street
London WIN 5FD

1st March 1995

CHASE ERWIN LIMITED
PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST JULY 1994

	Notes	1994 £	1993 £
TURNOVER	1	275,759	180,036
Cost of Sales		(194,933)	(151,152)
GROSS PROFIT		80,826	28,884
Administrative Expenses		(70,688)	(55,796)
OPERATING PROFIT/(LOSS)	2	10,138	(26,912)
Interest Receivable		366	1,933
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		10,504	(24,979)
Tax on Profit/(Loss) on Ordinary Activities	3	(3,415)	5,512
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		7,089	(19,467)
Dividends		-	-
SURPLUS/(DEFICIT) TRANSFERRED TO RESERVES	11	£7,089	£(19,467)
		=====	=====

The notes on pages 5 to 8 form part of these financial statements

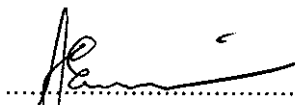
CHASE ERWIN LIMITED

BALANCE SHEET AS AT 31ST JULY 1994

	Notes	1994 £	1993 £
FIXED ASSETS			
Tangible Assets	4	7,350	8,970
CURRENT ASSETS			
Stocks		2,000	1,750
Debtors	5	61,242	62,330
Cash at Bank & In Hand		29,135	5,055
		<u>92,377</u>	<u>69,135</u>
CREDITORS: Amounts falling due within one year	6	<u>70,833</u>	<u>56,300</u>
NET CURRENT ASSETS		<u>21,544</u>	<u>12,835</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£28,894</u>	<u>£21,805</u>
CREDITORS: Falling Due After More than One Year	7	<u>(30,000)</u>	<u>(30,000)</u>
NET ASSETS		<u>£(1,106)</u>	<u>£(8,195)</u>
CAPITAL AND RESERVES			
Called Up Share Capital	9	1,000	1,000
Profit & Loss Account	11	(2,106)	(9,195)
		<u>£1,106</u>	<u>£(8,195)</u>

The directors have taken advantage in the preparation of the accounts of special exemptions applicable to small companies under Schedule 8 Part 1 of the Companies Act 1985. In the opinion of the directors the company qualifies as a small company and is entitled to make use of the special exemptions.

Approved by the Board of Directors on 1st March 1995 and signed on their behalf by:-


DIRECTOR
 A. ERWIN

The notes on pages 5 to 8 form part of these financial statements

CHASE ERWIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JULY 1994

1. ACCOUNTING POLICIES

Cash Flow Statement The company qualifies as a small company under the Companies Act 1985. The Directors have elected to take advantage of the exemption under FRS1 not to prepare a Cash Flow Statement.

Turnover Represents net invoiced sales of goods, excluding Value Added Tax.

Depreciation of Tangible Fixed Assets is provided at the following annual rates in order to write off each asset over its estimated useful life:-

Fixtures & Fittings	20% on straight line
Showroom Improvements	20% on cost

Stocks Stocks are valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

Deferred Taxation Provision is made at appropriate rates for taxation deferred in respect of all material timing differences only to the extent that, in the opinion of the Directors, there is a reasonable probability that a liability will crystallise in the foreseeable future.

2. OPERATING PROFIT

The Operating Profit is stated after charging the following:-

	1994 £	1993 £
Depreciation on Tangible Fixed Assets	2,693	2,482
Directors' Emoluments	1,900	2,826
Auditors' Remuneration	1,350	950
	=====	=====

3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1994 £	1993 £
Corporation Tax @ 25%	£3,415	£(5,512)
	=====	=====

CHASE ERWIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST JULY 1994

4. TANGIBLE FIXED ASSETS

	Fixtures & Equipment £	Showroom Refurb £	Total £
COST			
At 1st August 1993	7,227	5,171	12,398
Additions	1,073	-	1,073
	-----	-----	-----
At 31st July 1994	£8,300	£5,171	£13,471
	=====	=====	=====
DEPRECIATION			
At 1st August 1993	2,397	1,031	3,428
Charge for the Year	1,659	1,034	2,693
	-----	-----	-----
At 31st July 1994	£4,056	£2,065	£6,121
	=====	=====	=====
WRITTEN DOWN AMOUNT			
As at 31st July 1994	£4,244	£3,106	£7,350
	=====	=====	=====
WRITTEN DOWN AMOUNT			
As at 31st July 1993	£4,830	£4,140	£8,970
	=====	=====	=====

5. DEBTORS

	1994 £	1993 £
Trade Debtors	57,237	50,193
Other Debtors	4,005	6,625
Corporation Tax Recoverable	-	5,512
	-----	-----
	£61,242	£62,330
	=====	=====

6. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR

	1994 £	1993 £
Borrowings (Note 8)	6,883	3,888
Trade Creditors	28,499	17,119
Other Creditors (Including Social Security of £Nil)	1,044	13,451
Corporation Tax	3,415	-
Directors' Loan Account	30,992	21,842
	-----	-----
	£70,833	£56,300
	=====	=====

CHASE ERWIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST JULY 1994

7. CREDITORS: AMOUNTS FALLING DUE
AFTER MORE THAN ONE YEAR

	1994 £	1993 £
Directors' Loan Account	£30,000 =====	£30,000 =====

8. BORROWINGS: DUE WITHIN ONE YEAR

	1994 £	1993 £
Bank Overdraft	£6,883 =====	£3,888 =====

9. CALLED UP SHARE CAPITAL

	1994 £	1993 £
Authorised 1,000 Ordinary Shares of £1 each	£1,000 =====	£1,000 =====
Allotted, Called Up & Fully Paid 1,000 Ordinary Shares of £1 each	£1,000 =====	£1,000 =====

10. RECONCILIATION OF MOVEMENTS IN
SHAREHOLDERS' FUNDS

	1994 £	1993 £
Profit/(Loss) for the Financial Year	7,089	(19,467)
Dividend	-	-
	-----	-----
Net Addition/(Subtraction) from Shareholders' Funds	7,089	(19,467)
Opening Shareholders' Funds	(8,195)	11,272
	-----	-----
Closing Shareholders' Funds	£(1,106) =====	£(8,195) =====

CHASE ERWIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST JULY 1994

11. RESERVES

	Profit & Loss Account £
At 1st August 1993	(9,195)
Surplus	7,089

At 31st July 1994	£(2,106)
	=====