

WATTS AND CO. (FURNISHINGS) LIMITED

MODIFIED ACCOUNTS

YEAR ENDED

31ST OCTOBER 1990

(Registered number : 2173133)

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19 OCT 1990

WATTS AND CO. (FURNISHINGS) LIMITED

REPORT OF THE AUDITORS

UNDER SCHEDULE 8, PARAGRAPH 10 OF THE COMPANIES ACT 1985  
TO THE DIRECTORS OF WATTS AND CO. (FURNISHINGS) LIMITED

We have examined the modified Accounts on pages 2 to 4 which have been properly prepared in accordance with Schedule 8 to the Companies Act 1985. In our opinion, the Company satisfies the requirements of Sections 247 to 249 of the Companies Act 1985 for exemption as a small company for the year ended 31st October 1990. We are not required to express an opinion on the truth and fairness of these modified Accounts.

As Auditors of the Company we reported to the members on 30th April 1991 on the Accounts of the Company prepared under Section 227 of the Companies Act 1985 as follows:-

'We have audited the financial statements on pages 4 to 11 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31st October 1990 and of its loss and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.'



.....  
FREEMAN BAKER  
Chartered Accountants

The Old Church  
48 Verulam Road,  
St Albans, Herts AL3 4DH

30th April 1991

WATTS AND CO. (FURNISHINGS) LIMITED

MODIFIED BALANCE SHEET AS AT 31ST OCTOBER 1990

	1990		1989	
	£	£	£	£
<b>FIXED ASSETS</b>				
Tangible assets		31,606		26,396
<b>CURRENT ASSETS</b>				
Stock	63,965		68,605	
Debtors	36,412		39,602	
Cash at bank and in hand	957		5,700	
	<u>101,334</u>		<u>113,907</u>	
<b>CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR</b>				
	<u>(88,217)</u>		<u>(105,413)</u>	
<b>NET CURRENT ASSETS/LIABILITIES</b>		<u>13,117</u>		<u>8,494</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>44,723</u>		<u>34,890</u>
<b>CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>				
		<u>(65,000)</u>		<u>(35,000)</u>
		<u>(20,277)</u>		<u>(110)</u>
Represented by:				
<b>CAPITAL AND RESERVES</b>				
Called up share capital		100		100
Profit and loss account		(20,377)		(210)
		<u>(20,277)</u>		<u>(110)</u>

The Directors have relied on the exemptions for individual accounts contained in Sections 247 to 249 of the Companies Act 1985 on the grounds that the Company is entitled to the benefit of these exemptions as a small company.

The Accounts were approved by the Board on 30th April 1991.

.....)

.....) Directors

The notes on pages 3 and 4 form part of these accounts.

WATTS AND CO. (FURNISHINGS) LIMITED

NOTES TO THE MODIFIED ACCOUNTS

FOR THE YEAR ENDED 31ST OCTOBER 1990

1. ACCOUNTING POLICIES

a) Accounting convention

The Accounts have been prepared under the historical cost convention. The principal accounting policies which the Directors have adopted within that convention are set out below.

b) Depreciation

Depreciation provisions are made on the net written down value at rates calculated to write off the cost of the assets over their estimated useful lives using the following annual rates:-

Equipment	33.33 %
Office equipment	15 %
Computer	30 %

c) Stock

Stock has been valued by the Directors on a basis consistent with that used last year, namely at the lower of cost and net realisable value.

d) Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the transaction. All profits and losses on exchange are dealt with in the profit and loss account.

e) Deferred taxation

Deferred taxation takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes. No provision is made for taxation deferred by reliefs where there is reasonable evidence that no liability will arise in the foreseeable future. In assessing the likelihood of continuing deferment the Directors have regard for past investment levels and the extent to which tax allowances will be available on expected future capital expenditure. The amount not so provided is £219 (1989: £157)

f) Turnover

Turnover represents the total value of sales net of Value Added Tax.

2. CALLED UP SHARE CAPITAL

Authorised:

10,000 Ordinary shares of £1 each	10,000	10,000
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Issued and fully paid:

100 Ordinary shares of £1. each	100	100
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WATTS AND CO. (FURNISHINGS) LIMITED  
NOTES TO THE MODIFIED ACCOUNTS (continued)

FOR THE YEAR ENDED 31ST OCTOBER 1990

	1990 £	1989 £
3. CREDITORS AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR		
Amount owed to associated company	10,500	10,500
Directors loan account	54,500	24,500
	<u>65,000</u>	<u>35,000</u>

It has been agreed that these amounts will not be repayable within one year.

4. ASSOCIATED COMPANY

30% of the issued share capital is owned by Watts and Company Limited. The Directors own 72% of the issued share capital of Watts and Company Limited.