

WATTS & CO (FURNISHINGS) LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 1996



WATTS & CO (FURNISHINGS) LIMITED

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WATTS & CO (FURNISHINGS) LIMITED

AUDITORS' REPORT TO WATTS & CO (FURNISHINGS) LIMITED PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 6 together with the financial statements of WATTS & CO (FURNISHINGS) LIMITED prepared under section 226 of the Companies Act 1985 for the year ended 31 October 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of and Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of that Act, in respect of the year ended 31 October 1996 and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that section.



Freeman Baker

15 July 1997

Chartered Accountants
Registered Auditor

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

WATTS & CO (FURNISHINGS) LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 OCTOBER 1996

	Notes	1996 £	£	1995 £	£
Fixed assets					
Tangible assets	2		37,447		39,858
Current assets					
Stocks		175,573		197,934	
Debtors		61,772		50,968	
Cash at bank and in hand		5,079		2,745	
		<u>242,424</u>		<u>251,647</u>	
Creditors: amounts falling due within one year		<u>(175,645)</u>		<u>(191,428)</u>	
Net current assets			66,779		60,219
Total assets less current liabilities			<u>104,226</u>		<u>100,077</u>
Creditors: amounts falling due after more than one year			<u>(99,300)</u>		<u>(99,300)</u>
			<u>4,926</u>		<u>777</u>
Capital and reserves					
Called up share capital	3		300		300
Profit and loss account			4,626		477
Shareholders' funds			<u>4,926</u>		<u>777</u>

WATTS & CO (FURNISHINGS) LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 OCTOBER 1996

In preparing these abbreviated accounts:

- (a) Advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985, and
- (b) In the directors' opinion the company is entitled to these exemptions as a small company.

In preparing the company's annual financial statements:

- (a) Advantage has been taken of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985, and
- (b) In the directors' opinion the company is entitled to these exemptions as a small company.

The financial statements were approved by the board on 18 March 1997.

✓
Mrs F. Flint
Director



WATTS & CO (FURNISHINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 1996

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

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 expected useful life, as follows:

Screens & artwork	15% Reducing balance
Office equipment	33% Reducing balance
Computer equipment	15% Reducing balance
Motor vehicles	30% Reducing balance

1.4 Leasing

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

1.5 Stock

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

1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.7 Foreign currency translation

Monetary 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 recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

WATTS & CO (FURNISHINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 1996

2 Fixed assets

	Total £
Cost	
At 1 November 1995	95,726
Additions	9,413
At 31 October 1996	105,139
Depreciation	
At 1 November 1995	55,868
Charge for the year	11,824
At 31 October 1996	67,692
Net book value	
At 31 October 1996	37,447
At 31 October 1995	39,858

3 Share capital

	1996 £	1995 £
Authorised		
10,000 Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
300 Ordinary shares of £1 each	300	300

4 Ultimate parent company

The ultimate holding company is Javerwocky Holdings Limited, a company incorporated in the British Virgin Islands, which owns 52% of the issued share capital.