

REGISTERED NUMBER:

02730835

England and Wales

NAIN CARPET LIMITED

ANNUAL REPORT AND ACCOUNTS

31 JULY 1998



NAIN CARPET LIMITED

DIRECTOR Mrs. J. KHAN
SECRETARY Mr. A. R. KHAN
REGISTERED NUMBER 02730835
REGISTERED OFFICE 68 Gresham Road
Hounslow
Middlesex, TW3 4BU

ANNUAL REPORT AND ACCOUNTS - 31 JULY 1998

Pages	3-4	Report of the directors
		Accounts comprising
	5	Profit and loss account
	6-7	Balance sheet
	8-9	Notes to the accounts

The following pages do not form part of the statutory accounts:

Page 10 - Detailed profit and loss account

NAIN CARPET LIMITED

REPORT OF THE DIRECTORS

The director's present their annual report with the accounts of the company for the year ended 31st July 1998.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was retailers of handmade carpets and rugs.

DIRECTORS

The director in office, during the year and her beneficial interests in the company's issued ordinary share capital was as follows:

	31.7.1998	31.7.1997
	-----	-----
Mrs. J. Khan - 1 ordinary share	£ 1	£ 1

DIRECTOR'S RESPONSIBILITIES

Company law requires that directors to prepare accounts 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 accounts, the directors are required to:

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

The directors are responsible for keeping accounting records, which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safe guarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NAIN CARPET LIMITED

REPORT OF THE DIRECTORS (continued)


AUDITORS

For the year ended 31 July 1998 the company was entitled to the exemption under section 249A(1) of the Companies Act 1985 and no member or members have requested an audit under section 249B(2) of the Companies Act 1985.

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies.

The accounts on pages 5 to 9 were approved by the board on 26 May 1999 and signed on its behalf by:

J. Khan (Mrs.)
DIRECTOR



NAIN CARPET LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 1998

	Notes	1998 £	1997 £
TURNOVER	1	134,618	132,261
Cost of sales		49,130	46,108
		-----	-----
GROSS PROFIT		85,488	86,153
Administrative expenses		85,360	76,171
		-----	-----
OPERATING PROFIT	2	128	9,982
Gain on sale of lease		80,856	--
Bank interest received		4,150	1,083
		-----	-----
PROFIT on ordinary activities before taxation		85,134	11,065
TAXATION		955	406
		-----	-----
PROFIT for the financial year after taxation		84,179	10,659
RETAINED PROFIT (LOSS) at 31.7.1997		5,892	(4,767)
		-----	-----
RETAINED PROFIT at 31.7.1998		<u>£ 90,071</u>	<u>£ 5,892</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

NAIN CARPET LIMITED

BALANCE SHEET - 31 JULY 1998

	Notes	1998 £	1997 £
FIXED ASSETS			
Leasehold at cost		--	2,896
Improvement to premises		--	3,478
Tangible assets	3	9,678	1,278
		-----	-----
		9,678	7,652
		-----	-----
CURRENT ASSETS			
Stock at cost		62,200	66,500
Receivable		13,500	12,896
Deposit account		119,096	34,841
Cash at bank and in hand		9,152	770
		-----	-----
		203,948	115,007
CREDITORS: amount falling due within one year	4	(123,553)	(116,765)
		-----	-----
NET CURRENT (LIABILITIES) ASSETS		80,395	(1,758)
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		90,073	5,894
		-----	-----
		£ 90,073	£ 5,894
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	5	2	2
Profit and loss account		90,071	5,892
		-----	-----
		£ 90,073	£ 5,894
		=====	=====

The directors have:

- a) taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(1).
- b) For the year ended 31 July 1998, the company was entitled to the total exemption under section 249A(1) of the Companies Act 1985.

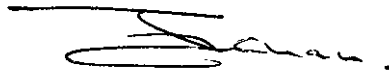
NAIN CARPET LIMITED

BALANCE SHEET - 31 JULY 1998 (continued)

- c) No member or members have requested an audit under section 249B(2) of the Companies Act 1985.
- d) The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985.
- e) The directors acknowledge their responsibilities for preparing accounts which give a true and fair view of the company and of its Profit for the year than ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company.

The accounts on pages 5 to 9 were approved by the board on 26 May 1999 and signed on its behalf by:

Mrs. J. Khan.....
Director



NAIN CARPET LIMITED

NOTES TO THE ACCOUNTS - 31 JULY 1998

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statement".

Turnover

Turnover represents net amount invoiced for sale of goods excluding VAT, of £122,723 (last year £116,761) and insurance claim during the year of £11,895 (last year £15,500). Total sales £134,618 (last year £132,261)

Tangible fixed assets

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

Equipment - 25% on cost

2. OPERATING PROFIT

The operating profit is stated after charging:

	1998	1997
	£	£
Depreciation of tangible fixed assets	3,223	426
Director's remuneration	7,000	6,512
Bank interest	2,928	2,292

3. TANGIBLE FIXED ASSETS

	Equipment	Total
	£	£
Cost at 1.8.1997	2,723	2,723
Additions	11,623	11,623
	-----	-----
Cost at 31.7.1998	14,346	14,346

NAIN CARPET LIMITED

NOTES TO THE ACCOUNTS - 31 JULY 1998

3. TANGIBLE FIXED ASSETS (continued)

Depreciation	Equipment	Total
	£	£
At 1.8.1997	1,445	1,445
On disposals	--	--
Charge for year	3,223	3,223
	-----	-----
At 31.7.1998	4,668	4,668
	=====	=====
Net book value		
At 31.7.1998	£ 9,678	£ 9,678
	=====	=====
At 31.7.1997	£ 1,278	£ 1,278
	=====	=====

4. CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	1998	1997
	£	£
Trade creditors	94,322	79,752
Sundry creditors	8,926	7,324
Corporation tax	955	501
Bank overdraft	19,350	29,188
	-----	-----
	£123,553	£116,765
	=====	=====

5. CALLED UP SHARE CAPITAL

	1998	1997
	£	£
Authorised		
10,000 ordinary shares of £1 each	10,000	10,000
	=====	=====
Allotted, called up and fully paid		
2 ordinary shares of £1 each	£ 2	£ 2
	=====	=====